

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,077

Thursday May 19 1983

International debt
plan of
action, Page 21

D 8523 B

Austria	Sch. 15	Refr.	1,1100	Portugal	1st AF
Bahrain	Do 1550	Japan	1,550	S. Africa	Re. 1/10
Belgium	BF 35	Jordan	1st 500	Canada	PS 4/10
Canada	CS 50	Kuwait	1st 500	Spain	Ps 95
Denmark	Do 7,00	Liberia	1st 8,00	Sri Lanka	Ru 20
Egypt	Do 12,00	Malta	1st 10,00		
Finland	Fr. 5,00	Malta	1st 11,25	Sweden	Sk 4/50
France	Fr. 10,00	Malta	1st 12,75	Switzerland	Swf 2
Germany	DM 70	Mauritius	Ps 4,75	Thailand	MT 3/5
Greece	Dr. 60	Mexico	Ps 4,75	Tunisia	Do 6,00
Iceland	Fr. 15	Morocco	Do 6,00	U.S.S.R.	Do 6,00
Indonesia	Rp 7500	Myanmar	Do 6,00	U.S.A.	Do 6,00

NEWS SUMMARY

GENERAL

Argentine 'killing' sparks protests

A political storm is brewing in Argentina after the alleged kidnapping and killing of a Peronist's Party member by security forces. The Peronists have described as a "farcical" the official police statement that Sr Osvaldo Cambiasso, a former university professor, has been killed in a gun battle. They claim he was kidnapped.

The row is expected to heighten the tension over Argentina's "disappeared." Protestors are planning a human rights demonstration for tomorrow.

'Heal Nato rifts' call

The authoritative International Institute of Strategic Studies has called for major efforts to heal the rifts between the U.S. and its European allies. Page 2. Dutch coalition split over nuclear weapons. Page 22.

Inquiry on Minister
A Turin magistrate is said to be investigating claims that Italian Finance Minister Francesco Forte tried to stop a police search of local socialist party offices in an anti-corruption inquiry.

Fears of EEC decay

West Germany said the Common Market was threatened with stagnation and slow decay. The warning came in a policy document, *Quo Vadis Europa*, by Foreign Minister Hans-Dietrich Genscher.

Envoy recalled

France recalled its Ambassador to Chile in protest at violations of human rights.

Habib snubbed

Syria is refusing to receive Mr. Philip Habib, the U.S. special Middle East envoy, following the Israeli-Lebanese agreement on troops withdrawal from Lebanon. Page 4.

Premier arrested

Upper Volta president Jean-Baptiste Ouédraogo has been arrested. Premier Thomas Sankara arrested in a "pre-emptive coup" to restore order, official French sources said.

Squat camp sealed

Police have closed off a black squatters' camp near Cape Town with barbed wire after driving out the occupants with tear gas.

Polls emergency

Sri Lanka was put under a state of emergency after voting ended in parliamentary and local elections marked by violence and bombings.

Gunman surrenders

Rome police were interviewing two Red Brigades suspects yesterday after a post-office siege ended. One gunman had been captured by police; the second gave himself up after holding clerks hostage for five hours.

Bubble ahoy

Welsh artist Peter Jones plans to cross the English Channel in a 50ft plastic bubble. It contains a trapeze for him to sit on, air for 36 hours, and it zips up.

Briefly . . .

Canberra: Australia is cutting immigration by 10,000 a year.

Vienna: Cardinal Franz König warned of "heavy pressure" on Roman Catholics Czechoslovakia.

Oslo: Soviet dissident Andrei Sakharov has accepted an invitation to settle in Norway.

Budapest: Zimbabwe's Premier Robert Mugabe arrived for talks.

BUSINESS
HK\$ falls to record low

Bonn budget cuts to fall heavily on welfare spending

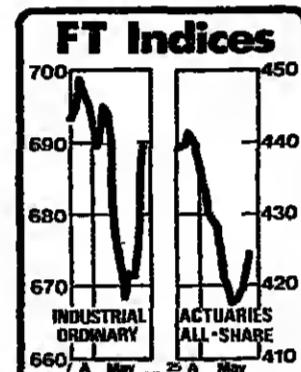
BY JAMES BUCHAN IN BONN

The West German Cabinet yesterday reached broad agreement on a budget for 1984 involving deep cuts in the country's welfare spending and a package of tax breaks for business.

• HONG KONG dollar touched a record low of HK\$7,003 to the U.S. dollar, breaking through a crucial psychological barrier, in uncertainty about the future of the British colony. It finished above its worst in London at HK\$6,994. Page 4; currencies, Page 44.

• WALL STREET: Dow Jones index closed 2.23 down at 1,203.56. Report, Page 37. Full share listings, Pages 42-43.

• LONDON: Leading shares had their best day for more than three months. FT Industrial Ordinary Index added 14.2 to 589.8. Page 37. FT Share Information Service Pages 42-43.



• DOLLAR rose to DM 2,4610 (DM 2,4505), to FF 7,4025 (FF 7,385) and to SwFr 2,046 (SwFr 2,045) but fell to Y223.5 (Y223.05). The Bank of England trade-weighted index was 122.1 (122.3). In New York, it closed at DM 2,4715; SwFr 2,060; Y223.50 and FF 7,4225. Page 44.

• STERLING was slightly firmer and gained 20 points to 51.558. It rose to DM 2.34 (DM 3.835), to FF 7,154 (FF 7,151) and to SwFr 3,1925 (SwFr 3,1875). It fell to Y362.5 (Y363). Its trade-weighted index was 51.8 (51.7). In New York, it closed at \$1.5547. Page 44.

• GOLD rose 5/2 an ounce in London to \$432.5. In Frankfurt it rose to \$442.75 (\$440.75), and in Zurich to \$434.5 (\$440). In New York, the Comex May settlement was \$40.1 (44.1). Page 44.

• TOKYO: Nikkei Dow index gained 20 points to 8,508.8. The Stock Exchange index gained 3.54 to 631.75. Page 37. Leading prices, other exchanges Page 40.

• FRANKFURT: Commerzbank Index regained some ground to rise 10 to 936.7. Page 37.

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EUROPEAN NEWS

James Buchan, in Bonn, interviews Chancellor Kohl's choice for West German Defence Minister

Manfred Woerner: Flash aviator who believes in defence

CURIOUSLY enough, Herr Manfred Woerner seems to enjoy being West Germany's Defence Minister, a job that has blighted at least two political careers and is likely to be the toughest portfolio in Chancellor Helmut Kohl's coalition of the Centre-Right.

"I believe in defence," says Herr Woerner, 42, a reserve officer with the Luftwaffe who used to potter around his native Baden-Württemberg in an old converted jet fighter.

His predecessor, the Social Democrat Hans Apel, left no doubt that he was glad to be out of the immense ministry on the Hardthoche outside Bonn. Yet Herr Woerner, who was welcomed with open arms by the armed forces when Herr Kohl came to power in October, faces two problems that could make Herr Apel's agrees with cost overruns on the Tornado fighter project look modest.

• Almost certainly, Herr Woerner will need to persuade an uneasy and hostile German population to accept this autumn a first batch of U.S. Pershing-2 nuclear missiles, part of a deployment programme announced by Nato in 1979 as a means of prodding the Soviet Union to talk about its own missiles in the European theatre. The deployment is not very popular." Herr Woerner said laconically on English television last Sunday.

• He must tackle a looming

crisis of men and money for the 480,000-strong armed forces which can only get worse, if tension over Nato deployment poisons the entire security debate in West Germany. Commentators such as Herr Christoph Bertram, a former director of the International Institute of Strategic Studies in London, warn of a "breakdown in the West German political consensus" if the U.S.-Soviet missile negotiations in Geneva fall.

In these circumstances, it is most surprising that Herr Kohl was willing to give away Herr Woerner's job to satisfy the ambitions of Herr Franz-Josef Strauss, the chairman of the Bavarian Christian Social Union (CSU), after the triumphant confirmation of the coalition in power at the March 6 elections.

Herr Kohl, who has got to know the Bavarian in several skirmishes, may well have known that his rival would not return to a post from which he was forced to resign in disgrace after the "Spiegel affair" in 1963. And indeed, he was right. Herr Woerner remains on the Hardthoche; Herr Strauss is visiting Togo.

After the low-key Apel years, Herr Woerner is credited with doing much to restore morale in the armed forces, while undertaking some much-needed reform in the bureaucracy. Senior officers say his technical grasp makes him a pleasure to

brief. His flash aviator's style keeps on the right side of arrogance; his authoritarian manner may well be suited to a ministry which Herr Apel once described as "ungovernable." He speaks English and French well and, like many people in Germany, is a doctor of international law.

Herr Woerner is, however, something of a rarity in enthusiastically defending Nato's 1979 "arm and negotiate" strategy. He speaks of the "fatal political and psychological consequences" of leaving Moscow with a monopoly of Euromissiles. "I do not see actual danger of war. What I see is a change in the power structure in Europe, with Russia exerting more influence on Western European countries and slowly decoupling Europe from the U.S.," he says.

The possibility of one of the 240-odd SS-20 missiles in the European theatre could be launched without an equivalent Nato response puts Europe immediately at a disadvantage in negotiation. Further, with the U.S. perhaps reluctant to retaliate from its own territory, the SS-20 becomes "a classical weapon to decouple Europe. Military power is not simply used in war. The Russians want to win the peace in peace."

The Defence Minister believes that there is a "slight chance" that the Soviet Union will negotiate seriously in the talks at Geneva which re-opened on



Herr Manfred Woerner

Tuesday and Herr Kohl will do his best in Moscow in July. However, the overwhelming sense in Bonn is that some autumn will have to be stationed if the Soviet Union, in Herr Woerner's words, are to do more than play the game they have played all along since the war. "They will try to use the peace movement, create fear and anxiety, threaten with one hand and offer something with the other," but "nobody, many, feel a serious proposal to scrap most of the SS-20 missiles.

Herr Woerner argues that the landslide result on March 6, while not a mandate for deployment as some in the U.S. Administration thought, has helped. "We did not hide our position. Everybody who voted for us knew what would happen in case Geneva did not succeed." However, as the deadline approaches, opposition could harden. The peace movement, with about 500,000 activists, the trade unions and the two main churches are in varying degrees hostile. The signs are that Herr

Woerner would be a delay or cancellation

Apel's SPD will vote to postpone stationing—the first major break in the consensus. Herr Woerner does not rule out violent demonstrations.

To carry through deployment, Herr Woerner needs two things not to happen (although he would not say as much):

• The election of a Labour Government in the UK, committed to a rejection of its share of cruise missiles.

• A return by President Reagan to the bellicose, whack-em-on-the-head attitudes of the "Empire of evil" and "Star Wars" speeches on a hard line on East-West trade.

Defence circles in Bonn argue that the election of a unilateral government in London would badly expose the two other definite stationing countries, West Germany and Italy. Whether Bonn actually could go it alone, as has more than once been hinted from Herr Kohl's entourage, is open to question.

At the same time, much depends on Herr Woerner convincing the Germans that the U.S. is negotiating in good faith in Geneva. Herr Apel, rather than his predecessor, would like "no chance given the economic and financial situation of the Federal Republic in the next two or three years."

The stagnating German defence spending has not led to the usual row with the U.S. this time because the same

Administration knows that Herr Woerner "believes in defence."

Divisions in Nato could prove fatal

By Bridget Strevens,
Defence Correspondent

THE STRAINS which have developed within Nato over the past few years could prove fatal to the Western alliance unless efforts are made to heal the rifts between the U.S. and its European allies: the authoritative International Institute of Strategic Studies says in its latest Strategic Survey.

In a gloomy report, Iiss notes that the "multiple causes" of the divisions range from public controversy about nuclear missile deployments to conflicting U.S. and European policies on the Soviet gas pipeline and about East-West economic relations generally.

There was still majority support for Nato within its 16 member state, the report says. But "should European public perceptions of the Soviet threat fall, American policies sound more belligerent and economic tensions increase, the alliance would face a severe predicament and collapse would not be out of the question."

Although it was hard to predict what form collapse would take, one possibility was of a "very weak Nato structure, in which a strong U.S. far outweighs a weaker Europe, confronted by a militarily strong and diplomatically skilful Soviet Union."

While Nato's political leaders were aware of the dangers, "some real healing within Nato must begin soon to avoid a drift towards a fundamental change in the alliance," Iiss says.

The Institute expresses "deep concern over possibilities for arms control agreements."

In 1982 leaders on both sides spoke of arms control in sweeping, even radical, terms, but their deeds revealed a more cautious and uncertain approach. Muddle through, rather than breakthrough characterised the pace of the negotiations. The report says that 1983 is likely to be even more difficult than 1982.

The report concludes that while East-West relations did not deteriorate markedly during 1982, the state of that relationship was already as low as it had been in a decade or more.

The superpower relationship did not appear to be "inevitably and rapidly spiralling downwards" but it was "settling into a trough," into a new pattern that, given the attenuation of the political and economic ties across the East-West divide, would be difficult to alter.

• Strategic Survey 1982-3; Iiss; 23 Tavistock St, London WC1Z 5E

Yugoslavian holidays for U.S. troops

By Leslie Collett in Berlin

YUGOSLAVIA, WHICH is faced with reducing its \$19bn debt to the West, has decided that the 500,000 U.S. troops and their families in Western Europe are a potential source of hard currency.

Yugoslavia and the U.S. have signed an agreement allowing U.S. military personnel and their families in Europe to use six holiday complexes operated by the Yugoslav People's Army. It is the first time group tours have been made available to a Communist country for the U.S. army and air force.

From next month, U.S. soldiers and airmen will be able to pay \$12 per person a day for what is described as first-class accommodation and meals.

FINANCIAL TIMES, published daily, £1.50, £1.75, £2.00 and £2.50. U.S. subscription rates: \$20.00 per year. Second Class postage paid at New York, N.Y., and at additional mailing centres.

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Inflation up in France

By David Honego in Paris

FRANCE recorded its worst inflation figures in almost two years last month with the consumer price index rising 14.4 per cent. The figures had been expected and were due to several special factors. These include the introduction in April of delayed increases in public sector tariffs, an increase in the alcohol tax to help finance the social security deficit, and higher import prices in the wake of the March devaluation of the franc.

Nonetheless, the April result brings the cumulative inflation rate for the first ten months to 28.4 per cent, which is equivalent to an annual rhythm of 13.7 per cent. This makes it highly unlikely that the Government can achieve its target of bringing inflation down to 8 per cent by the end of the year, though M Jacques Delors, the Finance Minister, remained undaunted yesterday.

Emerging from the weekly cabinet meeting he said that the Government's aim remained 8 per cent for the year—"5 per cent for the first half and 3 per cent for the second." He ruled out a new price freeze.

In reaffirming the Government's goal, M Delors' intention is in part to influence the course of wage settlements which the Government is seeking to bring down to 5 per cent by next year in line with its anti-inflationary strategy. M Delors is seeing the leaders of the main unions today and tomorrow.

But M André Bergman, leader of the militant Force Ouvrière union, said yesterday that it was difficult to see how the Government could reach its inflation target. The union yesterday organised a one-hour nationwide strike of its members and a demonstration in Paris culminating at the Ministry of Finance. The token strike was intended as a "warning" to the Government of the discontent of wage earners and re-assertion of its belief in collective bargaining.

THREE MORE YEARS OF FINANCIAL INSTABILITY FORESEEN

Banks criticise hasty debt packages

By STEWART FLEMING IN BRUSSELS

MANY commercial bankers expect continued tensions in the world's financial markets as a result of the need to restructure existing rescue packages for sovereign borrowers and the emergence of several new nations needing to reschedule their debts.

Sir Jeremy Morse, chairman of Lloyds Bank, speaking at the International Monetary Conference of leading commercial bankers here, said the financial world was still in "mid-stream" in the rescheduling process.

Other bankers believe that, even on relatively optimistic assumptions, it will be three to six years before problems borrowers are able to restore their financial stability.

Behind these concerns is the acknowledgement that some recent rescheduling packages have been organised with such haste that the assumptions on which they were based are already in danger of being overtaken by events.

The vulnerability of developing countries to changes in interest rates, terms of trade, and exchange rates, and, in some cases, the lack of satisfactory debt management systems explain why some of the first rescheduling agreements have already been blown off course.

Many bankers maintain that the way the world's financial system has coped with the current international strategy,

which relies on economic recovery in Western nations, trade expansion, and austerity programmes in less developed countries, "is incomplete and inadequate."

He argues the developed world is counting on too many favourable developments coming together in too short a time, that the austerity programme in borrowing countries are too severe, and that the burden of adjustment is being shifted from the financial system to the trade system, which cannot withstand the strain.

More lending, both official and commercial, including net new lending by commercial banks, is needed, he says.

Spain sounds warning on wage restraint

By David White in Madrid

CONCERN that Spanish wage rises may jeopardise inflation targets and blunt the country's competitive edge has been voiced by Sr Miguel Boyer, the Economy and Finance Minister.

Sr Boyer's appeal for wage moderation came at the start of a heated parliamentary debate on the 1983 budget, delayed as a result of the change in government at the end of last year and pay talks in the civil service.

Negotiations on the framework of a national agreement between employers' and union representatives, drawn up without government interference, have resulted so far in average basic increases of 11.65 per cent.

The chief economic appointment is to the Ministry of Finance which remains with Dr Herbert Salcher, a Socialist brought in by Dr Bruno Kreisky, the outgoing Chancellor, in 1981, and considered very much a Kreisky man.

The Foreign Minister goes to Herr Erwin Lanz, another Socialist. As Interior Minister in the outgoing government, Herr Lanz had to deal with terrorism in Austria. He claims to have a good knowledge of various Palestinian movements and is likely to continue Dr Kreisky's sympathetic towards the Arabs.

Dr Showatz will announce his programme on May 31. It will have to address several pressing economic problems, among them policy towards deficit-ridden state-owned industry, and the threat of mounting budget deficits.

In 1982, a budgeted deficit, net of debt redemption, of Sch 32bn (\$1.6bn) actually turned out to be Sch 47bn. This year's budgeted Sch 48bn (equivalent to 3.8 per cent of

Austria's coalition Cabinet named

By OUR VIENNA CORRESPONDENT

DR FRED SINOWATZ, Chancellor-designate, yesterday named members of the new Austrian coalition Cabinet to be sworn in on Tuesday.

Dr Norbert Steger, leader of the liberal Freedom Party, the smaller coalition partner, will be Vice Chancellor and Minister of Trade. Dr Steger, a lawyer who has been in politics since his student days in the 1960s, has not so far succeeded in a bid to turn this into an overall command post for economic policy. But the matter is not finally settled.

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In 1982, a budgeted deficit, net of debt redemption, of Sch 32bn (\$1.6bn) actually turned out to be Sch 47bn. This year's budgeted Sch 48bn (equivalent to 3.8 per cent of

forecast GDP) may grow as high as Sch 70bn.

Before the change of government was brought about by the election of April 24, Dr Salcher was committed to plans to increase revenue by a more stringent taxation of holiday and Christmas bonuses, and by imposing a withholding tax on interest paid on savings accounts.

Savings deposits are the most popular savings medium in Austria, and because the law permits accounts to be held anonymously, they are also the most popular means of tax evasion.

The liberals, as advocates of increased rewards for endeavour, appear to have killed the tax on bonuses. The future of the withholding tax remains uncertain. Neither proposal was ever likely to produce enough revenue to close the holes in the budget. Doing so will call for stringent economies and for additional revenue, maybe by raising value added tax.

As well as potential tensions about financial strategy, the new coalition will also face possible difficulties about state-owned industry, a subject handled from the Chancellor.

State-owned industry is concentrated in the steel, engineering, chemical and refining sectors. With few exceptions, the companies concerned are operating at a loss, are engaged in a difficult restructuring process, and have a tenuous capital base. State-owned industry is dear to the socialists; in opposition, the liberals were much less committed

to addressing these problems.

The most optimistic chief executives appear to be in the UK, France, West Germany and Luxembourg.

BUSINESS confidence throughout the EEC is rising and, according to European Commission surveys, has reached a level unseen since May 1980.

Indicators show that "economic sentiment in the private sector is shifting towards optimism: a development which will lead to positive consumption, investment and production decisions," the Commission said in its latest analysis of EEC business trends.

The results of its surveys are an addition to various signs that the international recession is ending, although order books are not yet fat enough to fill the large excess capacity of the industrial sector.

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Danes plan 3% public spending cut

By Hillary Barnes in Copenhagen

THE DANISH coalition Government aims to reduce public spending in real terms by 3 per cent next year, according to the Government's May financial survey. Both state and local government expenditure will be affected.

Previous attempts to control public spending have only cut projected increases. Spending has continued to rise by about 3 per cent a year.

The Government's aim is to cut expenditure by Dkr 18bn (\$1.1bn). This should enable it to hold its budget deficit at a fixed level.

The Finance Ministry now estimates the 1983 budget deficit at Dkr 64bn, or about 12.6 per cent of the gross domestic product, compared with a deficit of Dkr 46bn which was forecast.

Brussels set to sign R and D contracts

By PAUL CHEESERIGHT IN BRUSSELS

THE EUROPEAN Commission will shortly sign contracts for some 35 research projects, effectively launching what may burgeon into a European Currency Unit (Ecu) 1.5bn (\$1.35bn) programme to wrest from the U.S. and Japan leadership in the international information technology industry.

The contracts are for the pilot programme of the European Strategic Programme for Research and Development in Information Technology (Esprit).

The companies, universities and research institutes now involved in detailed negotiations with the Commission on the form of the contracts are spread throughout the EEC.

The companies would not disclose to the shortlist, but said the breakdown "corresponds to the industrial landscape of the EEC."

ICL, GEC and Plessey of the UK were among the 12 major European groups which last year wrote to the Commission and said that a co-operative effort would be necessary if the EEC as a whole is to retain its place in a quickly developing market of increasing importance.

The EEC Council of Ministers last December approved a Ecu 11.5bn budget to fund pilot projects. The Council now has before it a proposal for spending Ecu 750m over five years on Esprit.

The Commission proposes to put up 50 per cent of the funding for approved projects along themes settled with industry on a rolling plan basis. The Commission would not disclose the breakdown "corresponds to the industrial landscape of the EEC."

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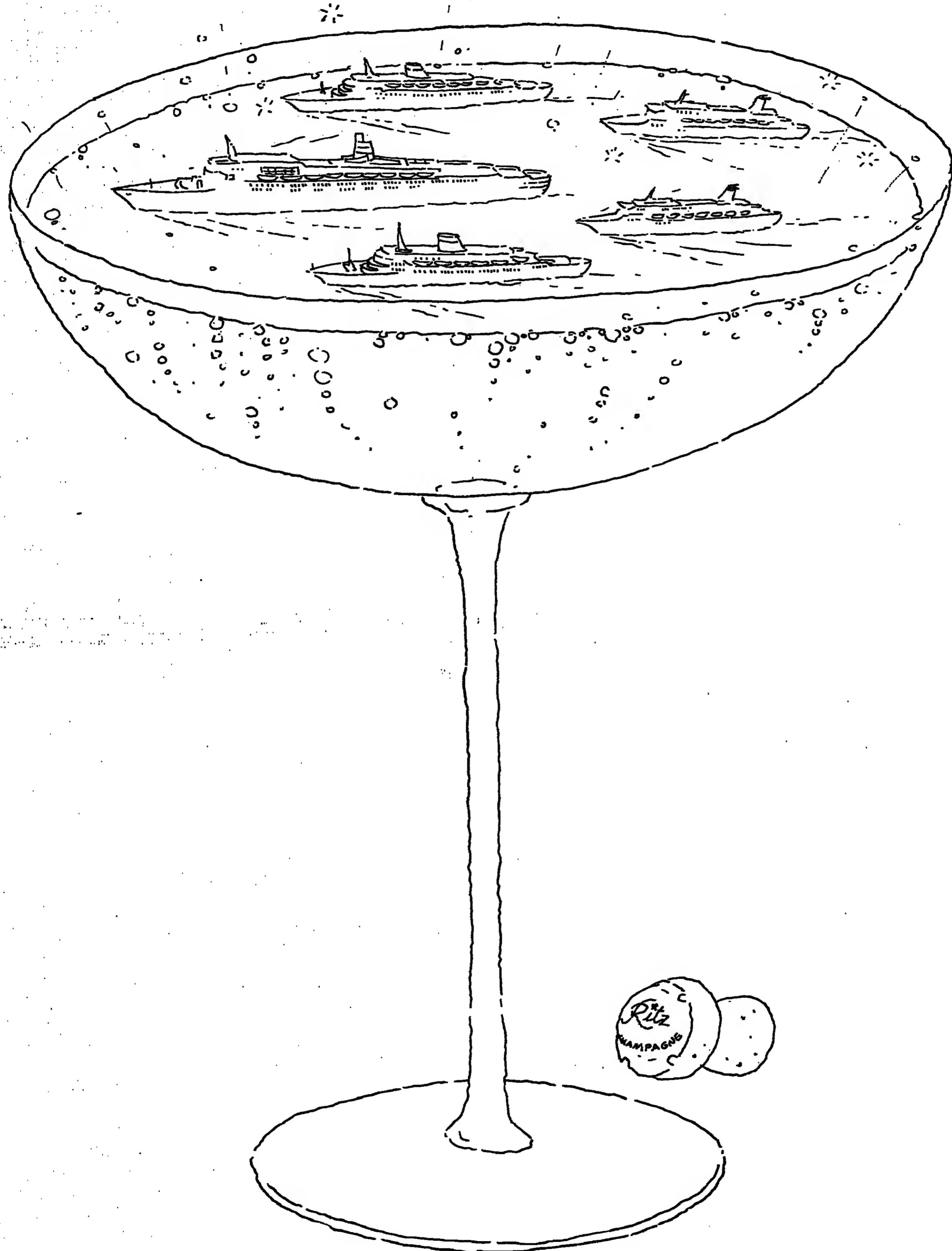
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AMERICAN NEWS

Philadelphia set to elect first black mayor

By Reginald Dale, U.S. Editor, in Washington

ANOTHER major U.S. city, Philadelphia, looks set to elect its first black mayor following the victory of Mr Wilson Goode in Tuesday's Democratic primary elections.

Mr Goode said yesterday his winning margin of nearly 50,000 votes was larger than he expected. He forecast a decisive win in November's run-off.

With Democratic registered voters in the city outnumbering Republicans by five to one, Mr Goode appears well placed to follow in the footsteps of Mr Harold Washington, who last month became the first black mayor of Chicago after defeating incumbent Mrs Jane Byrne in the Democratic primary in February.

Unofficial returns showed that Mr Goode had won more than 95 per cent of Philadelphia's black vote and about 25 per cent of the white vote.

The defeat for his opponent, Mr Frank Rizzo, who was mayor of Philadelphia from 1972 to 1980, appears to mark the end of Mr Rizzo's flamboyant and controversial political career.

Fall in Brazilian oil imports

By Andrew Whitley in Rio de Janeiro

BRAZIL'S oil imports declined by 17 per cent in the first four months of the year, producing a useful saving of \$450m (£285m) on the country's balance of payments, according to the Ministry of Mines and Energy.

The latest figures show the Government is well on the way to meeting its target of reducing oil imports to an average of 620,000 barrels a day this year, compared with 752,000 b/d in 1982.

A central plank in Brazil's programme of adjustments to its external balance of payments is the halving of imported volumes by 1985 and its replacement by domestic sources of energy.

The sugar cane-based alcohol fuel programme has shown a phenomenal recovery over the past year, according to official figures. The use of fuel alcohol by Brazilian car drivers in April was 92 per cent up on the same month last year.

The Pinochet regime has two uncomfortable options, reports Mary Helen Spooner in Santiago

Echoes of Allende in nationwide Chilean protest

THE NATIONWIDE protests which rocked Chile last week have left General Augusto Pinochet's Government at a "rescence" in its coverage of the radio station had contributed to an "artificial climate of agitation and public effect."

Earlier this month Chilean newspapers received discreet telephone calls from Government officials recommending them not to publish the text of a statement from the Coppermine Workers' Confederation, which had spearheaded the May 11 protests. The suppressed communiqué announced that Chile's economic crisis had caused the Government to lose popularity among many of its former supporters.

There are signs that Chilean officials are seriously considering the first option. Following the funeral of a young taxi driver during last Wednesday's demonstrations, the regime mounted a massive military operation in at least five Santiago working-class neighbourhoods early on Saturday morning.

Thousands of men and teenage boys were hustled into football fields for questioning and identity checks, in a round-up which recalled some of the mass arrests during Chile's 1973 coup d'état.

The authorities also ordered an opposition radio station, Radio Co-operative, to halt indefinitely its news programmes. A statement by the Government communications agency Dimaclos charged that

THE FRENCH ambassador to Chile, M. Leon Bouvier, has been recalled to Paris for consultations following a Cabinet meeting in which last week's arrests of more than 300 people in Chile were discussed. AP reports from Paris.

In a statement to the National Assembly, M. Claude Cheysson, the Foreign Minister, indicated that France might take further measures within a few days. He denounced "the increasing number of round-ups and arbitrary arrests."

The French protest follows the publication yesterday of a report by Amnesty International accusing the Chilean regime of systematic torture.

the fatal shooting of a 16-year-old boy during the protests, citing lack of evidence. But 317 people arrested are to be prosecuted in the criminal courts.

The regime also moved recently to prohibit three representatives of the Mothers of the Plaza de Mayo, the well-known Argentine human rights group, from entering Chile. The women had been invited to Santiago by a Chilean organisation of relatives of the

squad is reportedly made up of men in civilian dress bearing bludgeons who have attacked demonstrators, journalists and passers-by in full view of the police during attempted protests last December and on May Day this year.

Chilean officials have denied all knowledge of such a group and Gen Cesar Moatero, a Junta member and Carabinero Commander, charged that photographs of squad members appearing in the Chilean Press were falsified montages.

Gen Moatero, who acts as Gen Pinochet's strong man, recently commented that Chile's economic crisis had caused the Government to lose popularity among many of its former supporters.

This decline in support among the conservative middle and upper classes dates back to the regime's unexpected decision last June to devalue the Chilean peso, after three years' fixed exchange rate and repeated official denials that such a move was under consideration.

Human rights groups in Chile have expressed concern about the appearance late last year of a new security squad. The

government seems to have lost its purpose."

Ultimately the Government's stability depends not on its popularity, but on the support of the Chilean military, which shows little sign of abandoning Gen Pinochet at this stage.

The recent surge of protest has been accompanied however by just enough violence to convince many of the armed forces that a threat to Chile's internal security persists. In the port city of Valparaiso last weekend a bomb exploded in front of a police station, injuring 11 people, including three children.

During last week's protests residents of many Santiago neighbourhoods banged pots and kitchen utensils together in a demonstration similar to protests by upper and middle class housewives outraged by the food rationing of the Socialist Allende Government overthrow in 1973.

One State official said that results were disappointing. But industry sources said that bidding might have been discouraged because the sale included a large number of tracts in which the state received a high 40 per cent profit share.

The noise of the pots and pans was heard again this week in Santiago, when the miners' leaders appeared in court. It was an unpleasant reminder for the Pinochet

Government that the forces which eventually helped overthrow its predecessor 10 years ago may still be in existence.

Alaska oil leases win lower bids than forecast

ANCHORAGE — Alaska's oil exploration leases yesterday drew bids of only \$212 (£13.5m), well below a State forecast of over \$300m (£222m).

A total of 116 bids were received on all 42 tracts on offer. The auction comprised 101 212-acre acres made up of an offshore area in the Beaufort Sea as well as on shore territory. The acreage is close to Prudhoe Bay oil field.

One State official said that the results were disappointing. But industry sources said that bidding might have been discouraged because the sale included a large number of tracts in which the state received a high 40 per cent profit share.

Other large oil companies who were apparent high bidders with sole bids on one or more tracts included Arco Alaska Incorporated, a division of Atlantic Richfield, Amerada Hess, and Placid Oil.

Reuter

Change in bank laws proposed

By Paul Taylor in New York

STATE chartered banks in the U.S. should be allowed to underwrite corporate securities, the Federal Deposit Insurance Corporation has proposed. Such a development, if accepted, would mark a further erosion of the existing U.S. banking laws which separate commercial from investment banking.

The proposal is also likely to meet fierce resistance from the U.S. securities industry which wants to maintain the divisions laid down 50 years ago in the Glass-Steagall Act. It also sets the FDIC on a collision course with the Federal Reserve Board.

The U.S. banks are strongly in favour of being given the power to underwrite corporate issues. However, they are concerned about other moves to deregulate the U.S. financial services industry which have so far resulted in non-banks like Sears, Roebuck and securities firms like Merrill-Lynch moving into the traditional banking sector.

Japan urged to strengthen defence capabilities

By REGINALD DALE, U.S. EDITOR, IN WASHINGTON

JAPAN SHOULD strengthen its defence forces as part of a report said.

The two countries should hold more frequent and regularly scheduled bilateral defence meetings on broad strategic issues — ranging from relations with the Soviet Union and China, to the defence of world sea lanes and arms control.

The report by the United Nations Association of the U.S. and the Asia Pacific Association of Japan, said that "as a first priority" Japan should strengthen its defence capabilities, move expeditiously to improve the quality and readiness of its armed forces, and correct their "serious logistic deficiencies."

In a new move to reinforce mutual consultations and consolidate U.S.-Japan relations, the U.S. should reaffirm its commitment to the Pacific region, while Japan should assume a greater share of the defence burden and increase its aid to Third World countries, par-

ticularly in East Asia, the report said.

The

Two countries should hold more frequent and regularly scheduled bilateral defence meetings on broad strategic issues — ranging from relations with the Soviet Union and China, to the defence of world sea lanes and arms control.

The aim would be to inject "long-term continuity" into relations between the two countries, which had not kept pace with international developments.

The report's authors were vague about precisely what Japan's strategic role should be, leaving this to be worked out between the two Governments.

They stressed, however, that the debate over Japanese defence spending should be shifted from arguments over cost figures and percentages of Gross National Product by giving priority to the definition of defence roles and missions.

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WORLD TRADE NEWS

Mitsui cautious over resumption of work on Iranian project

By CHARLES SMITH IN TOKYO AND TERRY POVEY IN LONDON

MITSUI, the main Japanese participant in the long-delayed Bandar Khameini petro-chemical project in southern Iran confirmed yesterday that resumption of work on the complex did not depend on an end to the two-and-a-half-year old Gulf war.

Instead the company is seeking unspecified "guarantees of security" for the site. Iraq recently advised the Japanese that they consider the project a military target and urged them not to resume construction work.

In Tokyo yesterday, company officials were expressing considerable caution over the outcome of the recent talks which led to the signing on Tuesday of a memorandum of agreement between the two parties—Iran's National Petrochemical Company and the Iran Chemical Development Company (80 per cent of which belongs to Mitsui and associated companies).

The main concern was the possible Iranian reaction once the costing of the project had been revised following inspection by Japanese experts. According to one Mitsui official "at least another \$500m (\$1bn) will be required to complete the project." If the engineers' inspection

showed the site to be

Soviet chemical industry set to order more plant

By ANTHONY ROBINSON, MOSCOW CORRESPONDENT IN LONDON

WESTERN chemical plant manufacturers may shortly be receiving inquiries from the Soviet chemical industry to produce sophisticated equipment incorporating patents and licenses developed in the Soviet Union but which the Soviet plant industry is unable to make.

This was announced by Mr Z. Polyakov, deputy minister of the chemical industry at a UK-Soviet trade conference in London. UK chemical companies expressed an interest in providing such plant.

The Soviet chemical industry and the gas industry are two of the fastest growing sectors of Soviet industry and heavy investment is expected to see the chemical industry's share of Soviet GNP rise from 8 per cent in 1980 to 12/15 per cent by the end of the century, Mr Polyakov said.

The high-level Soviet trade delegation is headed by Deputy Foreign Trade Minister Alexei Manzhu, who said that UK firms are currently negotiating orders worth a potential total value of 1bn rubles.

Speakers at the conference also identified major export prospects in the Soviet food programme, especially for food processing, preserving, packaging and refrigerated transport and storage facilities.

Some 33 per cent of the entire civilian investment budget is

annually expected to be dedicated to agricultural modernisation up to 1990.

Hitherto, much of the potential attractiveness of the Soviet market has been the opportunity for large-scale projects. The emphasis in future, however, is likely to be on smaller contracts for specialised plant and equipment required to re-equip and modernise existing facilities rather than in new green field, turn-key projects.

The need for higher productivity and technological renewal extends over a wide range of Soviet industries, including the automotive industry and Soviet foreign trade enterprises believe this provides opportunities for small and medium companies with relevant technology.

The UK has slipped from second to ninth in Soviet trade with the West over the last decade and last year the UK trade deficit rose sharply to \$289m from \$11m in 1981 with exports of \$356m and imports of \$545m.

M. Golodetz (Overseas), one of the most active trading companies in UK-Soviet trade and the first Western company to open a representative office in Moscow in 1983, yesterday signed a five-year co-operation agreement with Sovzutrit and six other foreign trade organisations.

Grounds for protectionist measures 'often spurious'

By CHRISTIAN TYLER, WORLD TRADE EDITOR

THE HIDDEN costs of protecting domestic industry from foreign competition nearly always outweigh the visible employment advantage, according to a study of the "new protectionism" published today.

The authors examine the common justification for protection and conclude that they are "for the most part misleading, meritless or simply wrong."

But because they are gaining ground in all countries, they should be taken seriously, they add.

Among the devices studied are bilateral voluntary export restraints — increasingly applied to Japanese goods — domestic industrial subsidies, and quota arrangements.

All these have multiplied in recent years, eroding the principles of the General Agreement on Tariffs and Trade (GATT), the study says.

Mr Hugh Corbet, director of the Trade Policy Research Centre, publishers of the study, claims in a preface that the survival of GATT itself is now in question. "The choice facing the world economy for the foreseeable future is quite stark. Either it has GATT rules or it

has none."

Talks of a new set of rules to replace GATT was "either deep foolishness or shallow hypocrisy."

The failure of last autumn's GATT Ministerial conference to reach any agreement of substance made talk of a new system unrealistic.

The authors of the study, Dr Brian Hindley and Ms Evi Nicolaidis, say that non-tariff barriers to trade, such as voluntary export restraints, are popular with politicians trying to appear domestic industrial lobbies.

This is because the resulting cost to consumers in terms of higher prices for native and imported products is not usually made clear.

Protection for jobs in one industry usually meant the loss of jobs in other export industries, as competitors' goods are diverted to third markets. In a floating exchange rate regime, protection was "a very weak instrument" for creating employment and might well have the opposite effect, they argue.

Together with New Protectionism Services, by Brian Hindley and Evi Nicolaidis, Trade Policy Research Centre, Gough Square, EC4, £3.

France wins Abu Dhabi contract for Mirage jets

By DAVID MARSH IN PARIS

FRANCE has clinched an important contract to supply Abu Dhabi with 18 Mirage 2000 jet fighters, making the Emirate the fourth foreign customer to order the technologically-advanced combat aircraft.

The deal, agreed this week after six months of discussions, gives Abu Dhabi an option to purchase a further 18 jets if needed to boost its air force. The aircraft, made by the nationalised Dassault-Breguet company, will be delivered from 1985 onwards.

The Mirage 2000 will form the backbone of France's own airborne forces in coming years, with more than 160 planned to

Greeks may buy British combat aircraft soon

By Victor Walker in Athens

BRITAIN'S Minister of Defence procurement, Mr Geoffrey Pattie, left Athens yesterday convinced Britain has "an excellent chance" of selling Tornado aircraft to the Greek Air Force.

During a two-day visit, Mr Pattie had talks with Premier Andreas Papandreou and Defence Ministry officials, and visited the Hellenic Aerospace Industry at Tanagra.

The purchase, the largest ever by Greece, will be of at least 60 and possibly 100 aircraft. A decision is expected by the end of June.

Information sources say construction has narrowed down to four aircraft types: the American F-16 and F/A-18 Hornet, the French Dassault Mirage 2000, and the Tornado built by Panavia, the British-German-Italian consortium.

It is believed that if the decision is to buy 60 aircraft one of the U.S. models will be preferred. If the order is for 100, it will be split between American and European manufacturers.

Asked why Mitsui thought

Iran was so determined to finish

a plant which any international standard of comparison

could never be expected to pay for itself, an official claimed that "it has become a matter of national prestige for them, they want to prove to the world that they can finish and then operate something of this size."

Kathryn Davies in Singapore on the implications of Indonesia's economic difficulties

Singapore reassesses links with Indonesia

SINGAPORE-BASED businesses, oil refiners and bankers are assessing the implications of neighbouring Indonesia's current economic difficulties, which are having a direct impact on the city state.

Oil refiners have been worst hit, but the tourist-related industries are also suffering. Local manufacturers are wary of investing in Indonesia, despite the devalued rupiah, until the picture becomes clearer.

A combination of reduced Indonesian demand for oil, the counter-cycles of barrel-system oil, imposed on the Indonesian oil company Pertamina and the completion of two more large refineries in Indonesia itself are expected to reduce Singapore's role as a refinery — at present it ranks third after Houston and Rotterdam.

A Singapore oil executive recently visited the new refinery at Cilacap in central Java, says that construction is proceeding on schedule and it will begin operations in mid-summer.

Cilacap has a refining capacity of 200,000 b/d, as does an expanded refinery in the Indonesian Borneo town of Balikpapan, which says the executive, has not been significantly delayed and will also come on stream by the year-end. This means that from a total

last year of around 210,000 b/d sent to Singapore refiners, in future Indonesia will only need to send around 70,000 b/d to 80,000 b/d. Singapore's total refining capacity is 1m b/d although it is only operating at 75 per cent capacity, down from 85 per cent a year ago. Shell alone reduced its refining capacity by almost half in February.

Refiners and oil traders have also been forced to accede to Indonesian demands for a counterpurchase policy, selling

kerosene and diesel to the refinery in return for around 60,000 b/d of Indonesia's low sulphur waxy residue. At the same time, domestic demand for oil products in Indonesia has dropped from 85 per cent to 75 per cent.

The impact of these developments on Singapore's economy overall is serious. The refining industry accounted for 40 per cent of industrial output last year and one-third of the republic's total trade. (Singapore does not publish trade statistics with Indonesia because of expected discrepancies

between Singapore and Indonesian figures, caused by the volume of smuggling between the two states.)

A further reflection of Indonesia's economic woes has been starkly felt in Singapore's tourist industry, where the recent 27.5 per cent devaluation of the Indonesian rupiah and the imposition of a heavy exit tax has reduced Indonesia arrivals by more than 40 per cent in the past 12 months.

Singapore bankers say they are watching the situation in Indonesia with anxiety and there has been a decline in interbank lending to Indonesia. Banks are also less interested in becoming involved in syndicated lending. Bankers note that terms and conditions for lending to Indonesia had toughened in the past 12 months.

Despite the devaluation of the rupiah, there is little move by Singapore companies to invest in Indonesia, although there is still interest in investing in the offshore industrial base of Batam. Potential investors say that although Indonesia may look attractive from their point of view, there is likely to be no major rush into the area until the inflationary impact of recent economic measures can be judged.

Suharto specifies curtailed projects

PRESIDENT Suharto of Indonesia yesterday cleared up some of the confusion surrounding Jakarta's moves to trim its heavy industrial programme, which has clearly dealt a stunning blow to foreign contractors. Two weeks ago the Government announced that at least \$5bn worth of projects would be delayed. Suharto now says that the projects have indicated that no less than \$10bn in contracts could be rescheduled. At the same time, many contractors have claimed their projects were not affected. Richard Cowper writes from Jakarta.

• Construction of a \$600m alumina plant, the contract for

Mitsui will not go ahead. Instead, Alumina and Kaiser Engineers of the U.S. and Kloeckner Ima of West Germany would be carried out, a blow to JGC of Japan, for whom it was the first major Indonesian contract.

• A \$1.6bn olefins petrochemical complex is to be effectively suspended with the President's decree that the bears of the complex producing ammonia and ethylene would not go ahead.

The President, whose word is final, did not make any reference to two other major projects — a \$4.9bn electrification scheme and a \$90m coal-mine expansion — now said to be under the Government's axe.

• The \$1.35bn oil refinery at

COMMUNICATIONS IN BUSINESS AND SOCIETY

MARUBENI: Unity of the ordinary creates success

By Geoffrey Murray

Taiichiro Matsuo is well-known in Britain through his work in promoting British sales in Japan as the Chairman of the British Market Council. In the interview, a question about his personal business philosophy produced an immediate response: An English version of "Marubeni's six guiding principles" hangs prominently on the wall of his Tokyo office overlooking the sprawling Imperial Palace. It declares: "Let us acknowledge our individual insignificance and seek strength in our combined efforts. Let us act always with justice and good faith, with freshness and vitality, avoiding arrogance and exemplifying humility." He wants all Marubeni's 10,000 employees at home and abroad to live by his creed in all their business activities and contacts with society. And in his own daily life he certainly practices what he preaches, ensuring that this is no empty slogan.

Murray: You have been in business a long time. I wonder, how would you sum up your personal business creed?

I dislike elitism

Matsuo: Above all, I dislike the whole idea of elitism. In Marubeni, we have some 10,000 employees, including some 2,500 locally-hired staff overseas. When we speak about productivity we are concerned with something somewhat different than a manufacturer. I believe that instead of emphasizing the importance of a small number of elite we can achieve a better overall capacity by uniting many ordinary people. Some people say you have a central core of outstanding individuals in order to achieve business success. But I don't think we can achieve our full capacity as traders in this way. You see Marubeni's "six guiding principles" hanging on the wall, there. When I became president of this company I began strongly pressing this idea of the harmonious unity of the ordinary people. I earned something of a nickname for it. But, in a factory if you have one machine that is working well while the rest are functioning at a lower level, you cannot possibly achieve good production. It is going to be uneven. The same thing applies to a trading company like Marubeni, where our main asset is people. If certain parts of the company are working better than others it is not going to produce the best results. And I think this idea should be reflected in the merit rating and assessing the employee's capability for promotion and distribution of pay. We follow the traditional seniority-based promotion and pay-raise system. Some people are criticizing this concept now and promoting the idea of creating business elites. But I think that, although there may be some weaknesses that need correcting, the present system is best in helping our staff achieve their full potential.

Murray: What reaction do you get from new staff to this concept?

Matsuo: Well, that is an interesting point. On April 1st we had an entrance ceremony for 100 new employees... made university graduates. When they were given a chance to speak they talked as if they were already divisional managers or even the president of the company. Their talk was all of new policies. So, I told them they should regard themselves as having just become ordinary soldiers, part of the rank and file. They are talking about policies now, but when they really become top executives in the distant future their ideas will have become obsolete. So I told them not to talk so big, but to bumble study the situation in their own departments. When I joined Marubeni back in 1934 I never talked like these young men to today. But perhaps it is an indication that the company will be in good hands in the future,

Taiichiro Matsuo
Chairman

with men of greater competence than the present ones.

Strong Desire for Peace

Murray: Within Japanese business today, there is a great deal of talk about social role and responsibility. What are your views on this?

Matsuo: This is certainly very important. Basically, we want to contribute to world peace and economic development. You might say that this is for the politicians, so why should an ordinary businessman be talking in this way. Actually, I believe we have a stronger interest in and commitment to world peace than any of the diplomats or politicians. You could describe it even as a passionate commitment. The reason is that without peace we lose business opportunities and money. This may sound very mercenary, but it is a basic fact of business. Without peace and steady economic development our business will decline. For example, I believe we have a responsibility to contribute something to the communities where we are located. This is particularly true in developing countries. If we can help in some way to strengthen their economies then there will be more business opportunities for our mutual benefit. That is why we have such a strong interest in the so-called North-South problem. As a company, of course, we must survive. We have an obligation to pay salaries to our staff, dividends to our shareholders and make loan repayments to the banks. We have to keep faith and keep our company strong. If we concentrated all our efforts on making

contributions to society in different countries we would go bankrupt. So, there has got to be a balance. Having said that, however, I believe we are making a small effort towards the betterment of society. We have the Marubeni Fund, which operates only domestically for the moment, contributing about \$10 million Yen a year to help organisations for the mentally and physically handicapped. We also make contributions from time to time to hospitals abroad, and also help Japanese schools overseas. I would estimate that we contribute about 60 million Yen a year in Japan and overseas. When the U.K. office celebrated its 25th anniversary for example, they stopped holding the party for the anniversary, and made donations instead to hospitals in the U.K. I hope we can do even more in future as business conditions permit.

Murray: How is the role of the general trading companies changing?

Matsuo: I think we have now evolved into a distinctive industry. The generic term "Sogo Shosha" is now in the dictionary! Each firm has evolved in a different way, like a textile trader expanding into other business lines or a steel product trader seeking new business opportunities. The one common characteristic today is that we handle an extremely wide range of products that makes us unique in world trading. Gradually our role has been changing and I am sure it will continue to evolve as business conditions change. One very important area today is finance. For example, when Japanese machinery or plants are sold domestically or overseas, the customer very often cannot pay cash. This is

(Profile) Marubeni Corporation recorded a total trading volume of Yen 11,878 billion in the year ended March 1982, 15 per cent higher than in the previous year. The consolidated net income was Yen 1.6 billion. Marubeni employs more than 10,000 people and is capitalised at Yen 43 billion. Founded in 1858 around the textile trade, Marubeni now has seven major groups dealing with metals, machinery, textiles, development and construction, energy and chemicals, agrimarine products and materials and miscellaneous products. Roughly 36 per cent of the trading is domestic, 27 per cent is exports, 19 per cent imports and 18 per cent offshore trade.

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UK NEWS

Britain's 'greens' field 100 candidates

By Ian Hargreaves

IT MIGHT not seem the most propitious way to launch an election campaign by rolling around the floor with a stick of celery in your mouth in front of the press and television cameras.

However, Ian Lambert, aged seven months, was there on the platform yesterday for the launch of the Ecology Party's programme. It looked like a real attempt to break the traditional mould of British politics. But Ian's mother, Mrs Jean Lambert and one of the party's three co-chairmen, denied it.

It was just that Ian's father, she said, was too busy writing his Ecology Party election address and she, like mothers everywhere, was left with the baby.

The Ecology Party is, however, interested in breaking moulds. As Jonathan Porritt, a schoolteacher who is 32, the party's elder statesman, said: "The other parties are failing to meet the needs of this country, let alone the needs of planet earth."

It is in defence of planet earth that the Ecology Party, known to intimates as Eco, but publicised with an eye across the Channel as "Britain's green party," is this year fielding a record 100 candidates compared with only 53 last time.

The aim, Mr Porritt said, was to win 5 per cent of the vote in seats contested, compared with 1.6 per cent in 1979, to demonstrate that the British greens can match their more famous West German counterparts.

The Ecology Party pointed out that one in four of their candidates were women.

The party's election manifesto will not be ready until next week. But the Financial Times can reveal that it will highlight three issues: the banishment of nuclear power, the creation of socially useful "good work" jobs — such as insulating lofts — and the protection of the environment from chemical attacks.

Alliance policies 'would cut 1m off unemployment'

By Ken Ferris

MR DAVID STEEL, the Liberal leader, said yesterday that the policies of the Social Democrat/Liberal Alliance would reduce unemployment by 1m in two years and would increase the gross domestic product by 4.9 per cent in 1984-85, according to the Treasury's economic model.

"The fact is that our programme is not a new one cobbled up for this election," he said. "It is one which was produced as a result of a joint commission of our two parties many months ago."

He added: "The result of putting our figures through the Treasury model indicates that our election commitment to get unemployment down by 1m in the first two years of a new parliament holds firm."

Mr Steel said there was nothing inevitable about unemployment and that it was ridiculous for Con-

servative leaders to "lisp their bands in a pathetic display of helplessness."

He cited the latest industrial production figures, showing a drop in output of almost 1 per cent in March, as evidence of how weak the Government's claims of an upturn have turned out to be. "For the Government, success is always just around the corner," Mr Steel said.

Mr William Rodgers, of the Social Democratic Party, drew a clear distinction between the mild inflationary policies of the Alliance and the expansionary programme adopted by President François Mitterrand in France.

Mr Rodgers said the policies pursued by President Mitterrand were like the centralised bureaucratic controls and plans for nation-



Mr David Steel

alisation characteristic of the Labour Party's programme.

"We are very different in this respect. We want to get off the backs of industry, to allow entrepreneurs and businessmen to get on, with some help from government," he said.

"We do not want vast new planning machinery and we have no intention of nationalising any new companies, least of all the high street banks."

Unionists in Ulster prepare election pact

By Our Belfast Correspondent

AN ELECTORAL pact between the two main Unionist parties in Northern Ireland now seems likely. The Official Unionist leader, Mr. James Molyneaux, said he supported the idea and would have discussions with his constituency associations.

With the Roman Catholic vote in Ulster split between the Social Democratic and Labour Party (SDLP) and Sinn Fein, the political wing of the Irish Republican Army, Unionists could win up to four extra seats if they put up a single candidate in marginal constituencies.

The leader of the Democratic Unionist Party, the Rev Ian Paisley, has said he will give the Official Unionists a clear run in Fermanagh-South Tyrone, which could produce problems for the present MP, Sinn Fein's Mr Owen Carron.

Mr Paisley wants the Official Unionists not to stand in Mid-Ulster, Newry and Armagh and Foyle — where SDLP leader Mr John Hume is a candidate — could both be marginal if the Unionists agree on a single candidate.

Steel's helicopter ruffles feathers

By Ivo Dawny

MR DAVID STEEL helicopter into the byzantine politics of North-West Wales yesterday, unaware that his arrival had triggered the biggest political controversy there since Sir Anthony Meyer wrangled the nomination for the Tory leadership off his colleague in the European Parliament, Miss Bernice Brookes.

The row centred on Mr Steel's favoured mode of transport. Local Liberals had argued for helicopter landing rights on Rhyd's seafaring promenade or, in other words, parity with transport personality Mr Terry Wogan, who was accorded this honour when he opened the town's model railway.

But to the independent, though Tory-minded, council, opening railways is one thing, opening new vistas in British politics is another.

The council argued, Liberals said yesterday, that either Mr Steel arrive, with a £50 insurance indemnity or alternatively he could land on a concrete island in the boating pond, and paddle to his electorate.

As ever in politics, a muddy compromise was reached with Mr Steel landing a mile down the road at the Bobbie Hood holiday camp.

The speed of the visit — not more than 15 minutes in the town — made several onlookers wonder whether it was worth the trouble. The party leader grabbed a microphone, delivered a précis of a speech and hand-shaken back to the car.

But not before being grabbed by an awesomely stocky elector. "Why is it, he asked, tightening his grip harder on Mr Steel's reluctant hand, "you politicians can't come out and say that we are going through a social revolution?"

As his hand whitened, Mr Steel's smile became a wince, his aides hovered nervously and the crowd hissed a little. Then, that everyday political miracle took place as principal transformed itself to pragmatism. "We are going through a social revolution," Mr Steel agreed.

The irate wrist relaxed and the leader slipped gratefully away.

CONSERVATIVE PARTY PUBLISHES ELECTION PROGRAMME**Thatcher calls policies robust and responsible**

By Peter Riddell, Political Editor

NEW LIMITS on trade union power and further privatisation across a wide range of nationalised industries are the centrepieces of what

Mrs Margaret Thatcher, the Prime Minister, yesterday described as "a robust and responsible" Conservative Party programme.

The main theme of the party's election manifesto, published yesterday, is a restatement of the Government's existing approach rather than any new commitments.

Most of the specific proposals on, for example, trade unions — have been trailed in consultative documents. In the case of the privatisation objectives, they represent a development of recent ministerial speeches.

The manifesto is notably cautious about the welfare state and economic policy. It refers merely to maintaining "firm control of public spending and borrowing" and the high priority given to "further improvements in allowances and lower rates of income tax."

Mrs Thatcher said yesterday that the costs of the proposals had been calculated and would be included

within all the forward expenditure programmes already published.

Asked whether there would be a renewed drive to cut public spending and manpower after the election on June 9, Mrs Thatcher said she hoped there would be further reductions in bureaucracy. The Government was always to cut waste and increase value for money.

A central theme of the manifesto is that the Government's straight forward and resolute approach has laid the foundations for a dynamic and prosperous future.

The manifesto was launched yesterday at a somewhat military press conference in London, where Mrs Thatcher appeared as the successful general flanked by six of her team, preceded by the theme from the *Dumbuster* film over the loudspeakers.

It was clear from her attitudes where the future of the Conservative Party lies. Mrs Thatcher stated devotedly at Mr Norman Tebbit, the Employment Secretary, during his contribution.

Tories set out their 'five great tasks' for the future

By Our Political Staff

THE ELECTION manifesto — programme for government — published yesterday by the Conservative Party sets out "five great tasks for the future."

These are, the 47-page document states:

- To create an economy which provides stable prices, lasting prosperity and employment.

- To build a responsible society which protects the weak but also allows the family and the individual to flourish;

- To uphold parliamentary democracy and strengthen the rule of law;

- To improve the quality of life in British cities and countryside;

- To defend Britain's freedom, to keep faith with its allies in Europe and Nato, and to keep the peace with justice.

As his hand whitened, Mr Steel's smile became a wince, his aides hovered nervously and the crowd hissed a little. Then, that everyday political miracle took place as principal transformed itself to pragmatism. "We are going through a social revolution," Mr Steel agreed.

The irate wrist relaxed and the leader slipped gratefully away.

On a foreword to the manifesto, Mrs Margaret Thatcher, the Prime Minister, states that in the last four years Britain has recovered confidence and self-respect and the regard and admiration of other nations.

However, the Government, it says, remains inextricably responsible for controlling its own costs. It was the Government's duty "to prevent any abuse of monopoly power or exploitation of the sick, the weak and the elderly, so we must continue to resist unfair practices in the public sector."

The Conservatives state that they will continue to transfer more state-owned businesses to private ownership.

On taxation, the manifesto says that there would be further improvements in allowances. Lower rates of income tax would remain a high priority together with means to reduce the poverty and unemployment traps. Taxes on capital and savings would also be cut.

Concerning local councils, the manifesto attacks "grossly excessive" local authorities. The Government's role is to keep inflation down and offer real incentive for enterprise.

The manifesto pledges that, if the Conservatives are returned to power, there will be new laws in respect of the trade unions. Trade unionists and public had already welcomed the Government's past action on the unions, it claims, "but some

local authorities to consult industry and consumers before setting the rates and more businesses would be given the right to pay by instalments. The rating of empty industrial property would be ended.

Other proposals in the policy document include:

Defense: While continuing to support the nuclear arms talks, the Tories would maintain a strong defence force. Civil defence would be intensified to be used in peace-time emergencies.

Immigration: Tories were "utterly opposed" to racial discrimination and would continue policies which were strict but fair.

More powers for police force

Energy: The Conservatives would seek to restructure the coal industry to economic viability and treat ahead with the development of safe nuclear power.

Homeland: Tories will give many thousand more families the chance to buy their homes.

Pensions: There are plans to change the private pension rights of pensioners.

Health: The Tories would cut bureaucracy and encourage the privatisation of auxiliary services to "recruit more money for looking after patients." Private health care would be encouraged.

Education: Church and independent schools would be defended and parental choice and influence widened. Education in the new information technologies would be extended.

Law and order: Fighting would be given more powers for the police, but the Tories say they accept the need for an independent prosecution service and would consider how best to introduce it.

Parliament: The House of Lords would continue to have a secure future.

Northern Ireland: The Conservatives would continue to work for local democracy while upholding law and order as the highest priority.

Transport: The Tories would examine ways of decentralising Britain's rail and encouraging private enterprise.

Environment: The Merseyside Initiative — improvement measures taken in Liverpool after the 1980 riots — would be applied in other big urban areas.

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UK NEWS

Rise in earnings slows, but still above inflation

BY ROBIN PAULEY

THE TREND of earnings increases continued to moderate in April, although the rate of fall is still slower than the rate at which inflation has been falling.

Figures from the Employment Department yesterday show that the seasonally adjusted underlying increase in average earnings in the 12 months to March was about 7.6 per cent, compared with 7.8 per cent in the year to February. This takes account of temporary factors such as back-pay and different timings for pay settlements.

If these factors are excluded the 12-month rise in average earnings in March was 8.2 per cent compared with 9.3 per cent in the year to February.

Although the underlying rate of rise in earnings has been drifting consistently downwards throughout the past year, inflation has fallen faster. Earnings are therefore probably still rising faster than the Government ministers refer. On the other hand the same survey samples show that workers' real expectations are much more modest, expecting rises of only 4.4 per cent to be achieved.

The Confederation of British Industry's (CBI) analysis of pay settlements in manufacturing industry confirms that the general level of settlements is falling, but remains above inflation, indicating continuing improvements in living standards.

The CBI analysis shows the average of settlements since the start of 1983 to be 5.6 per cent. For those since the beginning of August last year the figure is 5.8 per cent. About a fifth of settlements in the past nine months have been for 4 per cent or less, and one settlement in 16 was for 8 per cent or more.

Indemnity for bank in Rumasa affair

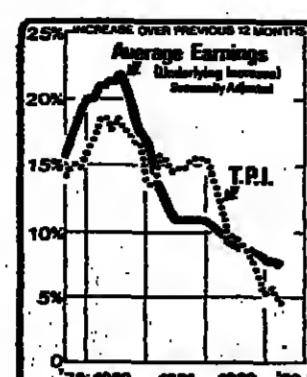
BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

CLYDESDALE BANK, a reluctant party to the litigation in the Rumasa affair, has been given an unlimited indemnity by the London branch of the Bank of Bilbao.

The indemnity will cover Clydesdale against the risk of being sued outside the UK as a result of its undertaking to the High Court in London on Monday not to pay out on a part with, a £123,125 bill of exchange drawn by a Rumasa company, Compania Vinicola del Sur.

The indemnity was procured by Rumasa, which was expropriated by the Spanish Government two months ago, as a quid pro quo for Clydesdale's undertaking, which remains in force until next Monday.

The bill was intended to cover payment by a Clydesdale customer,



Strikers end sit-in at Timex

THE TIMEX WORKERS in Dundee voted yesterday to end a six-week sit-in at one of the corporation's four plants in the city. The 320 workers occupying the Milton works accepted a 10-point proposal which rolls back for 90 days the issue of compulsory redundancies which provoked the strike on April 8.

But the union accepted that 425 jobs must go from Timex and survives a protracted battle to prevent the end of watch-manufacturing in the city.

The occupation of the plant formally ends this morning and work resumes in one week. The sit-in has held up pre-production work on a flat-screen micro-television tube developed by the company's main source of sub-contract work, the Sinclair Research Corporation.

Industrial problems started when Timex had completed all but about 125 of 1,900 redundancies in the workforce through voluntary losses. The cuts, announced in January, follow the loss of another sub-contract project, development of the Nimslo three-dimensional camera.

The 10-point peace proposal was worked out over the weekend in talks between national union officials and Timex.

Dearer banking

BRITABY BANK has effectively increased its bank charges to bring itself into line with the other three major banks.

On current account credit balances, a nominal allowance is given to offset against bank charges. This allowance has been reduced from 5 to 3 per cent. If a customer has an average balance of £100 in his account, over 1 year £3 will be deducted from his charges.

Issue of CDs

TWO BUILDING societies, Anglia and Nationwide, are to issue certificates of deposit (CDs). They are the first societies to take advantage of provisions in the new Finance Act.

Previously, building societies were prevented from using the certificate of deposit, marked to raise funds because they were prevented from paying interest gross.

Oil boost

A NORTH SEA consortium, led by Hamilton Brothers, is about to raise the production rate of its Argyll Field by more than 25 per cent. The group has just drilled a new well which has yielded oil at rates in excess of 6,500 barrels a day. Hamilton Brothers are now producing at the rate of 18,000 b/d through six production wells.

Hotels recovering

HOTEL BUSINESS in London is beginning to recover and the figures for some luxury hotels "have returned to boom levels," according to Horwath & Horwath (UK), international hotel consultants. They anticipate that "within two years - possibly sooner" the upper end of the market will again enjoy high levels of occupancy and average room rates.

Leasing hopes

BRITAIN'S leasing companies hope to benefit from the "signs of recovery" in UK industry, according to Mr Tony Mitchener, chairman of the Equipment Leasing Association. Speaking at a dinner in London last night, he said leasing represented about 13 per cent of total investment in the UK.

Tokyo trade warning

BY ALAN PIKE, INDUSTRIAL CORRESPONDENT

THE CONFEDERATION of British Industry (CBI) is to renew its efforts to persuade Japan to liberalise its home market.

Sir Campbell Fraser, CBI president, and senior officials will visit Japan in July to deliver a warning that unless the Japanese do much more to correct their trade imbalance with Britain and Europe they risk import restrictions throughout the EEC.

Sir Campbell said after the CBI meeting yesterday that a radical change in the Euro-Japan trade relationship was necessary if Japan was to preserve its markets in Europe.

In the continued absence of any trend towards a better trade balance, the patience of the CBI is rapidly running out. We cannot keep on having meetings - if action to open up the Japanese market does not show results soon there will be nothing left to talk about."

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However, the cost of a cheque or other withdrawal will remain at 28p, and direct debits will remain at 15p.

And it will still be possible to avoid bank charges altogether by keeping a minimum of £100 in your cheque account throughout a quarterly charges period.

 BARCLAYS

Ban on worksharing as union fights to save steel plant

BY BRIAN GROOM, LABOUR STAFF

THE MAIN steel union decided yesterday to fight the indefinite closure of British Steel Corporation's Hartlepool plate mill, at a cost of 1,000 jobs by instructing members at the other two UK plate mills not to accept transferred work.

But the union accepted that 425 jobs must go from Timex and survives a protracted battle to prevent the end of watch-manufacturing in the city.

The occupation of the plant formally ends this morning and work resumes in one week. The sit-in has held up pre-production work on a flat-screen micro-television tube developed by the company's main source of sub-contract work, the Sinclair Research Corporation.

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The 10-point peace proposal was worked out over the weekend in talks between national union officials and Timex.

U.S. ruling challenged

BY IAN RODGER

BRITISH STEEL Corporation is appealing against a U.S. Government ruling that its sales of stainless steel sheets and plates in the American market should be subject to countervailing duties or quotas. The U.S. view is that British Steel production is being subsidised.

British Steel had not explained yesterday why it was making the appeal or what its arguments would be. However, in the context of its attempts to arrange a long-term deal to sell steel slabs in the U.S. the corporation must do everything it can to remove the stigma of subsidisation from its operations.

This argument could also apply to some extent to the stainless business where 600 redundancies last year and output has been severely reduced.

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UK NEWS

Britons will own 75% of new transatlantic airline's shares

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AT LEAST 75 per cent of the shares of British Atlantic Airways, the newly-created transatlantic operator which is seeking rights to fly between Gavwick Airport, near London, and Kennedy Airport, New York, will be held by British citizens.

This was made clear by the airline yesterday, when it opened its case for being granted a licence, at a public hearing in London called by the Civil Aviation Authority.

British Atlantic submitted a substantial new document, rebutting objections to its plans which had been filed earlier by British Airways and British Caledonian Airways.

In the document, British Atlantic stressed that while the man behind the establishment of the airline, Mr Randolph Fields, was an American citizen, "not less than 75 per cent of the ownership and control will be held by British nationals" although the names of these people are not specified. The amount of capital involved is also not being revealed publicly.

Mr Fields is managing director of British Atlantic; Mr Robert Booth, formerly with Air Florida, is executive director; Captain Alan Hellier, formerly chief pilot and flight operations manager of Lakes Airways, is director of flight operations; Mr Eric Holloway, also formerly with Lakes, is director of route planning and performance; and Mr Richard Holloman, a partner in Muine Ross (accountants), is financial director.

British Atlantic said that its proposed one-class service will be

seven-abreast seating, at a single

price of £239, but will be fairer to the British Airways' nine-abreast

Super Club, and Pan American's eight-abreast Clipper Class business services, and more comparable to the six-abreast Ambassador service of Trans World Airlines.

People Express, the other airline planning a cheap (less than £100 single) transatlantic service between Gavwick and Newark, New Jersey, is as no-frills operation. British Atlantic "has no intention of matching" that fare.

British Atlantic argued that it had good reason to believe that its proposed one-class service "will be very well accepted by a significant segment of the full-fare travelling public, including both first and Economy class users."

Pointing out that British Caledonian had withdrawn from the New York route some time ago, British Atlantic said that the UK travelling public, especially the business traveller on the North Atlantic, deserved a choice of two British airlines.

The new airline also rejected suggestions by British Airways that the operation would lose money heavily.

BL axle strikers refuse to hold talks

By David Goodhart, Labour Staff
SHOP STEWARDS at British Leyland's Albion axle plant in Glasgow yesterday rejected a management demand that they hold a mass meeting of the 1,300 striking workers on Friday and return to work on Monday.

The company has said that if the strike - over compulsory redundancies - continues, the closure of Albion will be inevitable. About 3,000 truck assembly workers at Bathgate, Glasgow, and Leyland to Lancashire are due to be laid off from tomorrow because of the shortage of axles.

Mr Jim McLean, the Albion union convenor, reaffirmed the union's stand and said the workers would not be blackmailed into holding a meeting on management terms. He added: "We will hold a meeting when management are prepared to have meaningful discussions."

Mr Gavin Laird, general secretary of the Amalgamated Union of Engineering Workers, the main union at the plant, said the strikers had the full support of the union to carrying out union policy against compulsory redundancy.

The company insists that it is now looking for less than 20 redundancies out of an original total of 110 sought among hourly-paid workers. It refuses to withdraw the threat of compulsory redundancy "if necessary" but says it is very optimistic about getting the rest voluntarily.

The only possibility of a breakthrough before the weekend comes at a meeting today between Mr Gerry Russell, executive member of the AUEW, and BL management.

More job losses at Cross

By Nick Garnett
CROSS INTERNATIONAL, which makes specialist machine tool systems for the automotive industry, said yesterday it would cut the 260-strong workforce at its Kirkby site on Merseyside by about half in the next few months because of the generally depressed state of orders.

The company employed 370 at the site at the beginning of last year, but had made other cuts before yesterday's announcement.

The company is part of Cross, which is in the Cross Trecker group of the U.S. Its sister plants in West Germany and the U.S., which also make machine tool systems, have also suffered job losses because of low orders.

Machine tool systems made by Cross are used for cylinder block and cylinder head manufacturing, bearing, axle housing, and gearbox production.

The company, which normally exports half its output, said the cuts had nothing to do with labour relations at the plant, which had been good.



Frank Chapple: free membership concession

BY BRIAN GROOM, LABOUR STAFF

TRADE UNIONS are preparing a major drive to recruit teenagers taking part in the Government's £1.1bn Youth Training Scheme (YTS) this autumn. There are fears that this could lead to problems of inter-union competition.

Mr George Arnold, executive member of the Amalgamated Union of Engineering Workers (AUEW), said yesterday: "I just hope there is not going to be a membership war, because the teenagers are trying to get the best possible training."

The government scheme aims to provide a year's work experience and off-the-job training for 460,000 school leavers. It gets properly underway in September, and the Manpower Services Commission is trying - with a patchy response in some areas - to find the 400,000 training places needed to implement it fully.

The government scheme aims to provide a year's work experience and off-the-job training for 460,000 school leavers. It gets properly underway in September, and the Manpower Services Commission is trying - with a patchy response in some areas - to find the 400,000 training places needed to implement it fully.

The EPTU is attempting to set the pace in recruiting trainees into unions. It is offering them free membership of a special EPTU "transitional training section," giving representation and legal aid, but no voting rights and other benefits.

Competition for the trainees is offered by other unions, particularly the KPTU, which now has 10,000 members. The KPTU calculates that if two in 10 YTS youths are kept on in jobs after training there will be 80,000 potential employed trade union members.

It is worried that if it leaves recruitment to late other unions will

have stepped in. Attempts to prevent this carry a danger of conflicts, particularly now that the KPTU operates in many industries. This, and changing technology, have brought it increasingly into competition with other unions as the lines between electricians and engineers and blue- and white-collar staff become blurred.

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JOBS COLUMN

Why employees are not just human resources

BY MICHAEL DIXON

"THE REAL go-ahead corporations in America don't think in terms of personnel managers any more. They've promoted them in the organisation and called them vice-presidents—human resources," said Douglas Caldwell, Canadian head of the Caldwell Partners International recruitment consultancy.

He added that while the British equivalents mostly cling to the outmoded title of personnel director, the best of those he has met would be warmly welcomed by the said go-ahead corporations. "You could maybe run a nice little business exporting them."

The Jobs Column asked how the new vice-presidents—human resources differed from the old-style personnel managers.

"Well, they're centrally line managers, not staff specialists. They've brought a real profit expectation to the job. They take stock of the company's human resource and see if it is used effectively. There's much more stress on evaluating performance and gearing it to compensation," said Mr Caldwell, clearly meaning his last word to include punishment as well as reward.

I felt uneasy. It seems indisputable that a prime responsibility of managements is to judge people by the net worth they add to the organisation's output. I only wish more managements would do so,

especially in the public sector. But people add worth to output in numerous ways which managers, being less than omniscient, cannot see let alone value appropriately.

The vital question is not whether managements should attend to that responsibility, but how they should do it. And the way they do it is decisively influenced by how they think of it.

I don't feel it is right for myself and others to be thought of as resources like machines and money. One thing we can do is to serve as resources in that way, of course, and it may be our most important use to an organisation. But it is surely not all we owe those who employ and work with us, nor all for which we owe them. We are not just human resources. We are human beings.

One person I've met who does make that distinction in his approach is Phil Judkins of Rank Xerox. He has had much to do with his unsettled company's experiments with cutting costs by what it calls networking.

The idea is to get staff who provide auxiliary services, as distinct from those whose full-time attendance is essential to the company's core operations, to convert themselves to self-employment. Typically, Rank Xerox gives them a contract for two days work a week and sets them up with a micro-computer link to the company

so they can operate from home or wherever. It is then up to them to find other business to occupy them profitably for the rest of the week.

While the networking project has been widely publicised, the thinking behind it is less understood. For the popular notion seems to be that the prime object is to cut costs by reducing payments to people. That notion is fundamentally wrong.

Mr Judkins is not a manager—human resources. His title is manager—headquarters personnel and resources, which is different. For one thing, it means that he is on his departmental budget not only salaries and other staff costs such as pensions, but also the costs of rent, rates, cleaning and other facilities for the London headquarters.

Productive

Of every £100 in his budget, the ancillary costs of employing people directly constitute £15, and salaries £30. "Although that seems a lot," he said, "people do add some value and salaries, at least, help to encourage them to contribute."

On the other hand, the rent and other facilities for the headquarters building represent 31 per cent of the budget. "And facilities of that sort don't either add value to what we produce or motivate people, as far as I see," Phil Judkins advised to stay on the payroll.

After 18 months of the scheme, there are only about 22 networkers. The number deciding to go out on their own is no more than one or two a month.

added. "These are sterile costs. Cutting down them offers savings without the loss of productivity capacity in the process."

But unlike his budget, he went on, these of most managers in companies do not include the sterile costs of the space their operations occupy. "So when required to save they look at the figures, see that by far the biggest is for payments to people, and screw up themselves and most everyone else by driving through cuts in the Inland Revenue."

It seems clear therefore that the networking scheme does not treat the former employees merely as human resources. If it did, Rank Xerox would consider that its only obligation to them was the contract for two days work a week.

Beyond the object is to save on facilities rather than on headcount. Rank Xerox's intention is quite the reverse of pressing staff who provide auxiliary services to leave the payroll and become self-employed. These coming forward with a proposal to do so are carefully assessed and interviewed and unless they positively reveal the combination of attitudes, skills and knowledge likely to succeed in small business, they are firmly advised to stay on the payroll.

Even though that attitude may not be taken towards the bulk of people Rank Xerox is shedding elsewhere, the example is surely one that all managements should try to follow. But the evidence to

hand is that most do not think through their larger responsibilities to those they employ.

For instance, the other day I heard whispers that directors of Xanadu, it enables the net-workers to keep contact with one another and with former colleagues still normally employed, and provides know-how both individually and collectively. The best attended Xanadu meeting so far was apparently the one in which the company's auditors discussed the presentation of accounts to

the Inland Revenue.

It seems clear therefore that the networking scheme does not treat the former employees merely as human resources. If it did, Rank Xerox would consider that its only obligation to them was the contract for two days work a week.

Instead the scheme evidently treats them as human beings. It accepts that they are owed a large debt. Part of it, however, is due on account of their expectations on joining the company when it towered above its competitors. In those days, even if its recruits were not positively informed that adequate work would ensure continuing employment, there was no doubt a tacit assumption to that effect.

Isn't that strange? I wouldn't mind betting that a formal decision would have been taken and the implications worked out if the change had been in the company's policy for the depreciation of machines.

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Please send concise personal and career details as well as a recent photograph, in confidence, to the address below—marking your envelope EU 983. All applications will be acknowledged by the independent consultant involved.

Charles Barker Recruitment Services,
30 Farringdon Street,
London EC4A 4EA.

ATKIN HUME LIMITED
SENIOR BANKING
EXECUTIVE

Aitken Hume Limited is the principal subsidiary of Aitken Hume Holdings plc, the fast growing financial services company and intends to appoint a Senior Banking Executive.

Applicants for the position are likely to be at least 45 years of age and have had several years experience of sterling and foreign currency banking as Manager of a City office.

This new appointment offers considerable scope for personal initiative in developing the existing banking services provided to companies and private clients in conjunction with corporate finance, leasing and investment management services.

The successful candidate will report to the General Manager and have the personal attributes to maintain and develop business relationships at all levels.

The salary is negotiable.

Please send CV marked "Strictly Confidential" to PW to Aitken Hume Group, One Worship Street, London EC2A 2HO.

**CAMBRIDGE ECONOMETRICS
REQUIRES AN
INDUSTRIAL
ECONOMIST**

Applicants should be well qualified economists graduates with considerable experience in industry and a knowledge of econometrics and computer based models. The successful applicant will work as part of a small team on our forecasting and planning work and have responsibility for the industrial aspects of our services and their development.

Please write with full curriculum vitae to:

Marion Lunn
Cambridge Econometrics Ltd
PO Box 114, 27 St Andrew's Street
Cambridge CB2 8WV

NORTHCOTE & CO.

seek a person with the proven ability and experience to answer investment enquiries both by letter and telephone. Such person will work under minimum supervision in a busy department and have the ambition to advance in the firm. Remuneration dependent upon age and experience.

Apply in writing with details to:

Mr R. E. A. Clarke
Northcote & Co.
Northgate House
Coppell Close, London, EC2

UNIVERSITY OF STIRLING

DEPT OF BUSINESS STUDIES
Leadership in Small Business

Applications are invited for the appointment of a Lecturer in Small Business in the Scottish Enterprise Foundation. This is a new appointment and the successful applicant will be responsible for initiatives in education, training and research. The post will be associated with a significant research role. Knowledge and experience in the field would be a major advantage.

The appointment will be for three years, renewable. The salary will be as follows: £17,500-£18,500 (under review).

A written curriculum vitae with the names and addresses of three referees no later than 12 June 1983 to the University of Stirling, PG 624, Tel 3771 ext 2214, from whom further particulars are available.

**ASSOCIATE PRODUCER
(FINANCE)**

Theatrical Production Company requires Associate Producer for the development of raising overseas finance for production.

America must speak fluent English.

Applications to: Michael Page Partnership, 10, Gloucestre Street, London EC4P 4BY.

New appointments created by a sustained period of success...

Major Stockbrokers...

A well-known and highly successful city stockbroker is currently engaged in a planned programme of specialist recruitment. Increases in their market share and a diversification in their client base leaves them now requiring...

Corporate Finance Executives
c.£15,000 + bonus

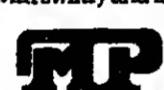
Candidates ideally with a legal or accounting background possibly including investigations experience.

The above highlights just two of a variety of current requirements for experienced stockbroking personnel. The company offers attractive working conditions and excellent salaries complemented by a generous bonus scheme.

Applicants should contact: Roger Tipple, M.A. or Nicholas Waterworth, B.A. Banking and Finance Division, 31 Southampton Row, London WC1B 5HY or telephone 01-242 0965 quoting reference 33307. All applications will be dealt with swiftly and in the strictest confidence.

Sector Analysts
c.£14,000 + bonus

Candidates with varied sector experience used to sophisticated analytical techniques.



Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

INTERNATIONAL TREASURY MANAGEMENT

Computer Systems Marketing

Home Counties

C. £18,000 + bonus + car

Our client requires an exceptionally able Chartered Accountant, who wishes to break out of finance into a commercial role, to market its unique and highly-sophisticated micro computer-based package specifically tailored to the requirements of the Corporate Treasurer. Age and current position are less important than a sound understanding of the Treasury function, with particular regard to international operations. Computer experience is desirable; the ability to communicate effectively with senior financial management is essential.

This is an exciting opportunity for an ambitious man or woman to join a major British software house and to participate in the development of this important new product.

The generous remuneration package includes a bonus directly related to results, giving on-target earnings of £25,000.

Please send full career details, quoting ref: 2107 to A.D. Davies.

Touche Ross & Co. Management Consultants

Hill House, 1 Little New Street, London EC4A 3TR

Tel: 01-353 8011

A member of the Management Consultants Association.

Top Executives Seeking a career change

Minster Executive specialises in solving the career problems of Top Executives who are earning in excess of £20,000 a year and are seeking a new opportunity. The Counsellors in our partnership encompass a wide range of experience and skills. All have been engaged in a top management role. The Minster Programme, tailored to your individual needs, will be managed by at least two Counsellors so that you are guided along the most effective route to that better opportunity. We have an impressive record of success and an acknowledged reputation in the employment market; many blue chip companies from a broad spectrum of industry and commerce retain our services in the re-deployment of their senior people. It could be to your advantage to find out more about us today. Write or telephone for a preliminary discussion without obligation.

MINSTER EXECUTIVE LTD. 28 Bolton Street, London W1Y 8HB. Tel: 01-493 1309/1085

BRENT ENTERPRISE BOARD

Appointment of Chief Executive

The London Borough of Brent is setting up a new company, The Brent Enterprise Board, to spearhead the fight against unemployment and to rebuild the Borough's economy. Brent is a multi-racial Borough and has one of the largest black ethnic communities in the country; it has all those problems characteristic of the inner city. Traditionally, the engineering industries have been strongly represented among the major employers in well-established industrial areas.

The company will initially be funded by the Council and will have the objectives of:-

- (i) aiding the development of new businesses, sponsoring new approaches such as co-operatives and helping existing firms to expand;
- (ii) investing in new and growing enterprises and actively seeking new investment opportunities;
- (iii) finding and developing sites for industrial and commercial enterprises refurbishing to modern specifications existing outmoded buildings and promoting the supply of nursery and genesis units.

The Company will act in co-operation with Trades Unions, the private sector, the co-operative movement, the universities and other sources of new business initiatives.

The Enterprise Board will initially have a small staff of 4 led by the Chief Executive but will work in concert with other organisations as appropriate. Investment opportunities arise.

The proposed salary range is £17,500-£18,500.

Men or women with appropriate experience are invited to contact London Borough of Brent, Personnel Department, Brent House, High Road, Wembley, Middlesex. Telephone number 01-903-0371 (quoting reference number: BEB/1) for further particulars and application form, returnable by 3rd June 1983.

BRENT ENTERPRISE BOARD IS AN EQUAL OPPORTUNITY EMPLOYER. APPLICATIONS ARE WELCOME FROM CANDIDATES REGARDLESS OF RACE, NATIONALITY, ETHNIC OR NATIONAL ORIGINS, AGE, MARITAL STATUS, SEX, SEXUAL ORIENTATION AND FROM REGISTERED DISABLED PERSONS.

ARGYLL STORES LIMITED, a member of the ARGYLL FOODS GROUP and the fourth largest multiple grocery chain in the U.K. with sales well in excess of £1 billion per annum, seeks to appoint a

Director-Computer Services

The Director will be responsible for the management of the Computer Services Division based on a large IBM installation located at Argyll House providing sophisticated financial and operating systems support relating to the company's retail outlets and distribution centres throughout the U.K.

Following the 1982 acquisition of Allied Suppliers, the Group is entering a challenging new phase of development within the retail grocery market.

An effective commercial Computer Services Division is vital to these plans in meeting current needs and providing solutions to many new developments. In managing this fully integrated and

partially distributed computer systems network throughout the entire company, the Director will work closely with the management of our various operating and services divisions. There is also considerable scope for creativity in the development of new systems and methods for improving company profits.

The successful applicant will have a track record of high level responsibility and success either in retailing or a related field.

As might be expected, this senior appointment will be rewarded by a substantial salary together with a full range of fringe benefits including a relocation package if required.

Candidates who meet the outline profile and who are aged around 40, preferably educated to degree level, with the related business experience should write with full career details to:

Mr. M. I. Phillips, Director of Management Development, Argyll Stores Limited, Argyll House, Millington Road, Hayes, Middlesex UB3 4AY.



ARGYLL STORES LIMITED

Young Corporate Planner

Eastern Counties

to £15,000

Fundamental changes of direction have produced a significant increase in the share price of this profitable British pic, which is poised for further growth beyond the current £400m sales level. The planning team at the centre works closely with the Chief Executive and intends to recruit an additional member aged in the mid-20s. There is a strong preference for a graduate with a good science degree, ideally with an MBA or DMS, and a background in industry. Experience in an operations context could be more valuable than a previous post in corporate planning. For an applicant

who can think creatively and work diplomatically in this international company environment, considerable career potential is offered. Major company benefits, with relocation expenses, and a salary in the £12,500 to £15,000 range. Write for an application form or send brief CV to the address below, quoting ref: GM268249/FT on both letter and envelope, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details will be divulged to clients without prior permission. Initial interviews will be conducted by PA Consultants.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 2LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

HOARE GOVETT LIMITED

Investment Analysts - Far East

Hoare Govett require two commercially oriented investment research analysts to join the expanding teams in the Far East. One will work in Hong Kong and the second in Tokyo.

While experience of Far Eastern markets would be an asset, it is not essential. We are looking for proven ability to analyse companies, to write fluently and lucidly, to relate ideas to the market and the ability to

communicate those ideas to clients. Candidates are likely to have had at least three years' experience in company analysis either with a stockbroker, or an international bank.

The salary and allowances will be competitive and there are excellent prospects for suitable candidates.

Applications, which will be treated in confidence, should be sent to:-

Company Secretary, Hoare Govett Limited, Heron House, 319/325 High Holborn, LONDON WCIV 7PB.

INVESTMENT ANALYST

to £12,000

A number of clients wish to recruit experienced Investment Analysts. Ideally aged between 24/30, a relevant degree, and a minimum of two years from banking or an investment company are needed, together with a desire to enter fund management. Research experience could be within UK equities, international bonds or specific fields either nationally or internationally.

CHIEF FOREIGN EXCHANGE DEALER

£20,000

This International Bank has been represented in London some 20 years. It has a small dealing presence but now wishes to recruit a well experienced dealer to expand its activity throughout international financial markets. The successful applicant will be 30+, recognised by the Bank of England and possess a good record in dealing. The ability to set up systems and manage staff are pre-requisites.

Please contact: Richard Meredith

PENSION ADMINISTRATOR

£14,000

My client is a major financial institution employing over 6,000 personnel throughout the world. They require a Pensions expert to undertake internal research into their Pensions schemes, provide policy guidelines and administer them. A minimum of 5 years relative experience gained in banking or insurance is essential. Age max. 40.

Please contact: Paul Trumble

LEASE MARKETING MANAGERS x 2

to £25,000

+ benefits

A major international bank have a vacancy for a graduate aged c30 years experienced in international big ticket cross border leveraged leasing. Additionally we have a similar vacancy for a U.K. marketing executive with asset management experience, benefits to include low cost mortgage, company car and in one instance a bonus.

Please contact: Brian Gooch

Jonathan Wren

BANK RECRUITMENT CONSULTANTS

170 Bishopsgate - London EC2M 4LX - 01 623 1266

GILTS

We are a successful City firm specialising in Gilts and have developed some of the most advanced computer-controlled dealing systems in the country. We are looking for someone with past experience in Gilts to talk to clients about the various services we offer. Excellent opportunity for someone with the right attitude and experience.

Write or telephone Margaret Kelly
Barlow Clowes & Partners,
66 Warnford Court, Throgmorton Street
London EC2N 2AT Tel: 01-638 0063

RADICAL ALTERNATIVES FOR THE LOCAL ECONOMY

Chief Economic Adviser

£16,761-£20,967 p.a. inc.

Hackney Council is embarking on an interventionist strategy for the local economy with the aim of sustaining and creating jobs, eradicating low pay; challenging discrimination in employment and fostering democratic forms of work organisation. These objectives form the alternative economic strategy under consideration by the Council and we need a man or woman with the commitment, skills and necessary experience to carry out its successful development and implementation.

You will activate the resources of this inner city Borough and ensure the efficient development, co-ordination and execution of all the Council's economic development activities. Together with trade unions, voluntary organisations, workers' co-operatives and the private sector you will shape the Council's operational structures most suited to the economic policy objectives.

This new post has been created on an initial three-year contract so you'll have to get straight down developing and directing an economic development programme based on job creation and retention; training; challenges to low pay, sexism and racism in employment opportunities; local purchasing policies and industrial promotion for the small-scale manufacturing and service sector as well as facilitating the Council's economic research and intelligence work. And as Hackney's policy of decentralising Council services and extending neighbourhood political power comes into

action, you'll encourage local involvement in our economic initiatives.

You should have a sound knowledge of economics and a familiarity with the ideas and problems of the Alternative Economic Strategy. Experience of local government would be an advantage. Your understanding of the types of economic problems facing the inner city and your determination to solve them will be essential. You will need the energy and drive to motivate a range of agencies towards achieving local economic objectives including the Council, the private sector, other public agencies, trade unions and ethnic community groups.

It will be your understanding and your commitment that will put Hackney's local economy on the road to recovery. For further information contact John Durnian on 01-986 3123 Ext 227.

Application forms are available from John Penney, Head of Personnel Services, Town Hall, Mare Street, E8 1EA or telephone 01-986 7539 (24 hour answering service) quoting reference AC456/FT. Closing date: 7th June 1983. People who wish to job share may also apply.

We would positively welcome applications from black people, disabled people and women.

Hackney - a radical, socialist Borough

COMMODITY/TRADE FINANCE

French Bank with worldwide network requires young banker to assist rapidly-expanding trade finance marketing team.

Applicant should have at least five years' general banking experience with a basic understanding of company accounts. An appreciation of trade finance facilities would be advantageous.

Position offers excellent advancement opportunity to energetic person.

Salary according to experience plus usual banking benefits.

Please write with full c.v. to Box A8225, Financial Times 10 Cannon Street, London EC4P 4BY

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Britain's leading careers management and executive job search service has helped hundreds of executives to obtain top appointments.

Selected high calibre executives are offered our unique success-related fee structure. Contact us for a free assessment meeting to day.

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73 Grosvenor Street,
London W1 81-493 8504
(24 hour answering service)

Dorset Institute of Higher Education

Head of Department of Finance and Law (Grade VI) Salary £15,867-£17,490, under review

The above post is newly created as a result of a recent review of departmental structure.

Application form and further details of the above post is available from the Director (F1), Dorset Institute of Higher Education, Wallisdown Rd, Wallisdown, Poole, Dorset BH12 5BB (SAE please) Telephone: Bournemouth (0202) 524111, ext 395

The closing date for the above post is Friday, 27th May 1983

LARGE FIRM OF LONDON STOCKBROKERS

with very substantial private clients and banking business are looking for an additional assistant in the banking department. The successful applicant, aged approximately 22-28 will be able to deal with all aspects of the business verbally and in writing. Good remuneration and career prospects exist for the selected person.

Please send your c.v. in strictest confidence to Box A8223 Financial Times, 10 Cannon Street, London EC4P 4BY

International Appointments

Institutional Fixed Interest Sales Australia

Samuel Montagu are seeking two experienced Sales Representatives for the fixed interest broking operations of their Australian associate.

Applicants should have the following attributes:

- fixed interest experience in a stockbroking firm
- an innovative approach to gilt dealing
- an ability to relate well to institutional investors
- a desire to achieve results in a competitive environment

The successful candidates will probably be in their early 30's and should be interested in working either in Sydney or Melbourne, Australia.

An attractive remuneration package will be available and relocation costs will be paid.

Please reply with full relevant details in the first instance to B. K. Barber, Personnel Director.

Samuel Montagu & Co. Limited,
114 Old Broad Street, London EC2P 2HY

General Manager Insurance Broking Dubai Base

for an established and profitable company which is a joint venture between a major and prestigious Middle East group and a renowned British insurance organisation. Reporting to the Board, the appointed candidate will be profit accountable for the further development and control of the business and its service to clients.

Candidates must have broad insurance experience, preferably including insurance broking. A successful management background is required, together with a proven business development record in insurance. An ability to communicate and negotiate at senior level and to work with diverse nationalities will be sought.

Attractive benefits include negotiable tax free salary; furnished accommodation; car; renewable contract; generous UK leave with paid family air fares, Dubai offers an amenable life style with good facilities.

Please write with full personal and career details - in confidence - to G. E. Howard ref. B.1185/1.

MSL middle east
مختصون باستثمار العرب

Management Selection Limited
International Management Consultants
52 Grosvenor Gardens London SW1W 0AW

Commodities Banker

We are an international bank with our head office in the City of London and with branches and offices in 37 countries worldwide.

We are seeking an energetic Marketing Officer to handle a portfolio of accounts and undertake business and product development in the commodity sector through the U.K. and our international branch network.

Probably aged 24-28, you will be educated to degree level and will have a minimum of 3 years banking experience, ideally with some marketing exposure to the soft and metal commodity fields.

We offer a competitive salary and banking benefits, including mortgage facilities, plus excellent career prospects both in the U.K. and overseas.

Please send full career details to:

Anne De Saxe, U.K. Appointments Officer,
Grindlays Bank p.l.c.
36 Fenchurch Street, London EC3P 3AS.



SENIOR BANK AUDITOR
Old-established London Merchant Bank requires an experienced Bank Auditor to assist the Manager of Internal Audit. Preferably qualified, must be capable of working with minimum supervision.

Please apply with full c.v. to:
Mr. Peter Thorne,
ERNST & WHINNEY,
1 Lambeth Palace Road,
London SE1 7BL.

Indicating the name of any bank to which you do not wish your application to be sent.

UK MANAGER
needed to develop a sales network from "ground up" for our clients in the field of industrial identification systems, including cameras, illuminators, accessories and plastics. Our applicants must have photo ID, experience but we provide training plus support from our European Office. Good telephone and computer knowledges of people, organisational fair and direct.

Salary open. Interviews in London, with or without a trial. Closing date June 13 & 14. Contact prior to June 7th:
S. C. Carpenter
STIK/STRIP (EUROPE)
POB 1188, 2250 AB Ostend
Tel: (0362) 58881

FOREIGN AFFAIRS ANALYST
Position available for person qualified to understand and write daily reports and analyses on international affairs and supplement general news and computer library containing country data, press reports and research. Good telephone and computer knowledges of people, organisational fair and direct.

Please apply with full particulars of your c.v. to Box A8218, Financial Times, 10 Cannon Street, EC4P 4BY

FOREX APPOINTMENTS
For LIFFE/Money Market appointments at all levels discuss your needs, at no cost, with a specialist.

TERENCE STEPHENSON
13/14 Little Britain
London EC1A 7BX
Tel: 01-808 6834
20 years market experience

DO YOU UNDERSTAND MONEY? Members of the London Stock Exchange, and -cooperatives, trust funds, with more than 450 members, more than 65,000 shareholders and 100,000 shareholders. Successful applicants will be offered a package of 25-35, within 45 miles of London and telephone Vic Davies on 01-404 3299.

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seeks

ACCOUNT EXECUTIVES
with established clientele

Direct lines to London and U.S.A. Numerous financial advantages. Pleasant offices in Ideal Mediterranean location.

Contact:
T. Van Esche, Manager
BACHE HALSEY STUART
Sporting d'Hiver
Monte Carlo (Monaco)
Tel: (93) 50 71 71

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

CJRA

DIRECTOR FINANCIAL PROGRAMS

We are a diversified fortune 500 company in search of a Financial Co-ordinator for our extensive African operations. The successful candidate would be a university graduate with a few years' of international banking and counter trade experience. Full knowledge of foreign exchange and trade relations in the developing world are essential. The job calls for an individual who can co-ordinate and structure creative financing techniques and assemble corporate structures within Africa. The individual must be willing to spend the majority of his time travelling extensively throughout the territory. This position reports to our Regional V.P. and is headquartered in Rome. The salary will be commensurate with experience. Applications in strict confidence under reference DFP1474/FT will be forwarded unopened to our Client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager:

CAMPBELL-JOHNSON RECRUITMENT ADVERTISING LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH.

General Manager Saudi Arabia Insurance Broking Office

Our client currently has an opportunity at their fast growing insurance broking office in Saudi Arabia for a General Manager. Sponsored by a prestigious Saudi national, this Agency is managed by a medium sized Lloyd's broking firm which is itself part of a major UK financial institution. Recently established, the Saudi Office has already developed a sound client base and a good track record in serving the Saudi business community and the public sector. The office is expected to go through a period of dramatic growth over the next two to three years.

We would expect the successful candidate for this position to be:

- 30 to 45 years old
- an all round insurance man with at least 10 years' insurance experience including a good background in C.A.R.
- A.C.I.I. qualified
- Experienced in production, broking and insurance administration
- Familiar with both British and US Policy wordings
- Experience in managing a division or company as a profit centre
- Familiar with and preferably have lived in the Middle East
- Fluent in English and some knowledge of Arabic would be helpful
- Able to communicate well at all levels.

The responsibilities of the position include:

- running a profit centre including maintaining high credit control and insurance broking standards
- managing staff of both producers and administrators and the recruitment and training of the staff
- producing business introduced by the Sponsor and Parent Company and after a reasonable time in the job, to generate production from his own contacts
- dealing with relationships at the highest commercial and diplomatic levels in the Kingdom.

In addition to the competitive salary, this position carries free housing for the General Manager and his family, a car, house servants and driver and other benefits appropriate to the level of the appointment and the location.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Ref. B.1351.

ASL CONFIDENTIAL RECRUITMENT
A member of MSL Group International

EUROPEAN SALES MANAGER
Leading American automotive after-market company is seeking a key sales executive to manage all sales in Europe and the U.S. Salary plus incentive bonus and arrangement. Respond via TWX (910) 592-0223 or FAX (910) 592-0221
ROCKET INDUSTRIES, INC.
9036 Beverly Blvd., Pico Rivera, Calif. 90606 U.S.A.
Attention: Mark C. Blaiberg

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An International Association of Employers providing confidential services to individuals and organisations, both individuals, relating to employment of expatriates and nationals worldwide.

01-637 7604

INTERNATIONAL MARKETING CONSULTANT
to aid and assist us in marketing our products and services for markets outside USA and Canada.
Contact: 516-532 7101, USA
Telex 649728

**REPUBLIQUE CENTRAFRICAINE
PROJET D'ASSISTANCE TECHNIQUE
AVIS GENERAL DE PASSATION
DES MARCHES**

CREDIT NUMERO 1150-CA

Le Gouvernement de la République Centrafricaine a obtenu un crédit de l'Agence Française de Développement pour un montant de 100 millions de francs CFA (137 millions de francs) pour financer le Projet d'Assistance Technique (PAT) en vue de financer le coût d'un projet d'assistance technique. Le paiement débute depuis septembre 1981. Le Gouvernement recherche actuellement:

UN COORDONNATEUR DE PROJET
pour une durée de 18 mois, qui remplacera le coordinateur actuel (qui quitte le poste au mois de juillet 1983 pour des raisons personnelles). Le coordinateur travaille au Haut Commissariat à la Coopération Economique et Financière. Les candidats doivent être dotés d'une expérience de 10 à 12 ans dans les domaines économiques et financiers, et doivent avoir une connaissance approfondie des organisations de l'ONU (dans l'Afrique en particulier) et connaissances de l'anglais et de l'espagnol. Une connaissance de l'espagnol obligatoire, anglais recommandé.

Le ministre du travail du bureau du haut commissaire chargé du plan et de la coopération économique et financière, qui a des mandats pour les deux pays, a demandé que les candidats soient recommandés par les deux ambassades, au niveau particulier et bureau d'études sont invités à soumettre leur candidature. Ces deux bureaux sont également disponibles à l'adresse suivante:

Décret Guy Dafane
Haut Commissaire chargé du Plan et de la
Coopération Economique et Financière
Présidence de la République
Bât. Postale 732
Bangui
République Centrafricaine
Téléx: 5208 RC
Cable: MINIPLAN, BANGUI

SENIOR VICE PRESIDENT EUROPE, MIDDLE EAST, AFRICA

This position to be based in the U.K., is available with a U.S. multi-national consumer products corporation. Responsibilities include providing executive leadership to our affiliate companies, sales offices, and distributors, as well as having overall profit responsibility for the territory.

The qualified applicant must have 15 to 20 years of international general management experience, preferably in the toy industry, managing world-wide multi-regional affiliates. We require a strong profit-oriented executive who understands sophisticated international marketing techniques and has expertise in the disciplines of finance, manufacturing, and sales.

To qualify for consideration, please send your resume (c.v.) and salary history to:
Box A8206, Financial Times
10 Cannon Street, London, EC4P 4BY
Only resumes with complete salary history will be considered.

Accountancy Appointments

Accountancy Appointments

Appears Every Thursday Rate £31.50 Per Single Column Centimetre

Credit Insurance Accountant/Underwriter City

We want a Chartered Accountant with practical post-qualification experience, preferably in insolvency.

The vacancy is in a new and rapidly expanding Credit Insurance underwriting team protecting major international businesses from catastrophe trade credit risks.

The requirement is for a lively interest in the practical workings of industry and commerce and an ability to read between the lines.

The job will entail exposure to all aspects of the work before any specific long-term responsibilities are assigned. This is part of a planned development and when responsibility is given, it will be substantial.

Salary, car and benefits appropriate to this unusual responsibility.

Submissions in the first instance to: Alastair Malcolm, Director, British National Insurance Company Limited, 52-54 Leadenhall Street, London EC3A 2BS. Telephone: 01-488 3464.

BRITISH NATIONAL

Company Accountant

Northamptonshire

Our client is a well established wholly-owned subsidiary of a UK public quoted company. A qualified accountant is sought to work with and directly under the two joint managing directors.

Candidates, aged 30-35, should be familiar with computerised systems and have proven ability within an industrial environment. The position is responsible for the operation's total accounting function and offers considerable scope for financial development. Candidates should possess the following attributes:-

- ★ Accurate technical and financial expertise enabling deadlines to be met.
- ★ Positive and effective decision-making ability.
- ★ First class communication skills, both written and verbal.
- ★ Initiative, intelligence and acute business awareness - vital for the development of this role.

For an individual possessing the right qualities and able to take on considerable responsibility, this appointment offers the very real possibility of a senior management position; thus career prospects and rewards are excellent.

Candidates should send a comprehensive curriculum vitae to Terry Benson at 24 Bennetts Hill, Birmingham B2 5QP. Telephone: 021-643 6255.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

GLC Working for London

-Finance Department-

Head of Borrowing and Funding Services

£19,908-£21,483

This post carries responsibility for 25 staff dealing with borrowing, investment and insurance.

The post holder will be directly responsible to the Controller of Finance on all financial decisions on borrowing and investment and to the Director of Financial Services on administration and all insurance matters.

The work of the department involves responsibility for the Council's loan debt of £2.30m with an annual borrowing requirement of some £250m, investments of the Superannuation Fund totalling some £500m, and insuring the Council and the Authority against property and other risks.

The Head of the Branch is supported on investment work by two senior officers covering stock exchange, property and general investments respectively. In addition to general management responsibility the Branch Head will have personal responsibility for markets.

connected with the actuarial valuation of the Superannuation Fund and its negotiations with other authorities following the housing transfer; and also have responsibility for supporting the Controller on special assignments.

Candidates will have proven ability and sound experience in financial management; he/she will also have the ability to communicate effectively. Possession of a recognised accountancy qualification is considered essential for this post.

For further details and an application form, which must be returned by 10th June 1983, write to: Senior Officer Appointments, P.E.F.T., Greater London Council, The County Hall, London SE1 7PB or telephone 01-633 6665.

The GLC welcomes applications from all sections of the community, irrespective of an individual's sex, ethnic origin, colour or sexual orientation and from people with disabilities who have the necessary attributes to do the job.



The GLC is an equal opportunities employer

Senior Management Accountant - Production

Suffolk

Norsk Hydro Fertilizers Limited is the UK subsidiary of a major multinational in the energy business and one of the world's largest fertilizer manufacturers. The UK company has a turnover of c.£200m, and three main manufacturing sites administered from its Headquarters in Felixstowe, Suffolk.

Internal promotion within the head office management accounting function has created a vacancy for a Management Accountant to specialise in the production area.

Reporting to the Chief Management Accountant but working closely with the Production Director and his senior managers, you will play a major role in the compilation and co-ordination of budgets. You will assess and interpret performance, improve and develop reporting systems and carry out special

c.£13,000 + car

projects including the review of capital projects.

You must be qualified, aged over 28 and have substantial experience of computer-aided accounting in a manufacturing environment. A confident, outgoing personality and the ability to influence management decisions by good quality written and verbal presentations are essential.

In addition to an attractive salary, the usual large company benefits will be offered, including assistance with relocation and a 2 litre car.

Applicants, male or female, should send a c.v. to:

Alan Aldred, Senior Personnel and Training Officer, Norsk Hydro Fertilizers Limited, Harvest House, Felixstowe, Suffolk IP11 7LP.

(((NORSK HYDRO))) FERTILIZERS

THE INTERNATIONAL ENGINEERING AND CONSTRUCTION GROUP

Financial Investigations

Balfour Beatty is a major international construction group with an annual turnover of approximately £500m.

An opportunity has arisen to join a small team based at the Group's Head Office near Croydon, which undertakes a wide range of review and investigation assignments both in the UK and overseas. Travel will be up to about 50%.

Applications are invited from Chartered Accountants with at least 2 years post qualification experience. This is a challenging appointment, and the successful applicant must have the ability to deal with all levels of management. Prospects for career advancement within the finance function are excellent.

There is an attractive remuneration package together with a company car, private health insurance, and other benefits. Relocation expenses will be paid where appropriate.

Applicants should send brief career history and personal details for the attention of the Group Personnel Manager, Balfour Beatty Limited, 7 Mayday Road, Thornton Heath, Surrey CR4 7XA.

BB Balfour Beatty
THE INTERNATIONAL ENGINEERING AND CONSTRUCTION GROUP

Deputy European Finance Director

Qualified, 28 to 32

f.m.c.g.

c.£19,000+car

The company is a subsidiary of an international and high-profile market leader, which continues to achieve world-wide success with its principal products. It is now committed to a programme of expansion in Europe, Middle East and Africa, marketing efforts.

This job is seen as vital to maintaining the current level of success of the team. The role is primarily three-fold: creative input to performance and cost control of existing business; project and acquisition evaluations; and integration and monitoring of new companies' activities.

Success can lead to general management opportunities from this business-oriented role. The highest standards are therefore sought.

Arthur Young McClelland Moores & Co.

A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

Candidates will be qualified accountants, with an excellent academic and career record demonstrating broader than average experience. This must include at least two years in a marketing-led environment. Strong personal presence, a professional approach and complete commitment are paramount, to match the company's own persona.

Please write in confidence giving concise career and personal details and quoting ref. ER005/FT to I.D. Tomison, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

FINANCIAL OPPORTUNITIES—EUROPE

Our client's outstanding record is based upon a belief in achieving standards of excellence in all aspects of its business. Through natural growth and acquisition the company has trebled its size in 3 years and now employs over 4,000 people with representation in every major European market, and has its headquarters in West Sussex.

Marketing Financial Manager

£18-£20,000+car

Each national marketing subsidiary is an accountable profit centre operating within a total framework that is co-ordinated from the European headquarters. Throughout this structure the company is committed to a carefully developed financial and business planning discipline that achieves constructive and effective two way communication.

The European Marketing Financial Manager, whilst part of the Finance function, is expected to provide a comprehensive financial service to the Marketing Vice-President and work closely with the management of the marketing subsidiaries, to influence the profitability of the business.

We are seeking candidates in their early 30's, preferably business graduates with an accountancy qualification, who have financial analysis and planning experience gained within a marketing led consumer company, utilising sophisticated EDP systems. Ref: 469.

Both appointments will involve regular European travel and it is essential that your financial skills are matched by the commitment and enthusiasm necessary to be successful in these demanding roles. The positions carry an excellent fringe benefit package including relocation assistance where necessary.

Candidates of either sex, should apply in confidence, quoting the appropriate reference number to: Johnson Wilson—Management Search, 67/69 High Street, Winchester, Hants, or telephone Winchester (0962) 53319 (24 hour service).

Manufacturing Financial Analyst

to £14,000

There are five separate manufacturing locations in Europe including both component and assembly plants from which national marketing companies source product. The emphasis is upon high volume manufacture of high value product with each plant utilising a comprehensive standard costing system.

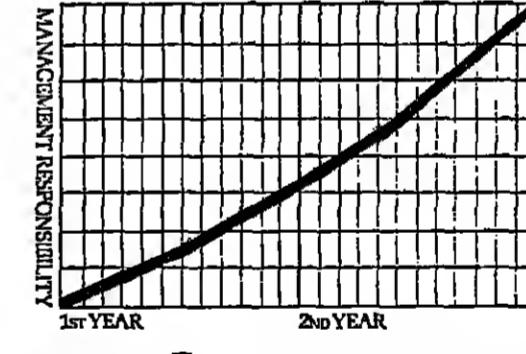
Reporting to the Manufacturing Financial Manager you will be fully involved in all budgeting, forecasting and analytical services that are provided to the Vice President—Manufacturing and to local plant management. You will be expected, on your own account, to be heavily involved in a wide variety of important projects.

Applicants in their mid to late 20's should be qualified, and offer management accounting experience preferably gained in a high volume, tightly controlled manufacturing environment. Ref: 469.

JOHNSON WILSON MANAGEMENT SEARCH

Recently qualified Business Accountants

Excellent salary + car + substantial benefits.



How much can you grow in 2 years?

A major company of international repute enjoying strong financial leadership seeks a small number of able business accountants to join its Corporate Audit function.

Corporate Audit operates worldwide to support the board, via the Audit Committee, to assess the efficiency and effectiveness of the Company's operational control systems. The department's terms of reference are demanding and include non-financial activities both in the UK and overseas, often of a special nature at the direction of Committee members.

Candidates must be well qualified, chartered accountants aged 24-29 years with experience of international business through one of the major accounting firms. Individuals must be self starters who can demonstrate the capacity to secure a senior financial line position within two years. The department's track record in this regard is excellent.

Successful candidates will be given the opportunity of visiting an ability to write clear, concise reports and will be able to demonstrate a willingness to take timely, cost effective action to improve controls and performance.

Conditions of service include a competitive salary and other benefits associated with an international Company including generous relocation assistance where appropriate.

Please telephone Max Enstone for an application form on 01-387 8943 or write to him, enclosing his C.V., at: Lockyer, Bradshaw & Wilson, 178 North Gower Street, London NW1 2NB.

LBW
LOCKYER, BRADSHAW & WILSON
LIMITED

FINANCIAL DIRECTOR

East Midlands

• Our client is a progressively-minded and dynamically-led profitable manufacturing company with an impressive growth record. The Board now wishes to appoint a Financial Director (designate) to take overall financial control and to play a major role in further development.

• The successful candidate will be a qualified accountant with a sound background of progress in manufacturing industry, together with experience in the use of computer systems and, ideally, export experience and familiarity with growing medium-sized companies. He or she will be a team-minded communicator — decisive, crisp, a deadline master. Age probably 35-45.

• For further details and an application form please telephone Lyn Mewes, Recruitment Secretary, on Windsor (07535) 67175 (24 hrs), quoting Ref. DM/41.

ICFC CONSULTANTS
A subsidiary of Finance for Industry plc

Accountancy Appointments

Assistant Financial Controller

Mayfair
c£13,500+ bonus

Our client is a holding company with interests in property development and house building, which has an aggressive entrepreneurial record for expansion through acquisition. A small central staff control, plan and develop the group's interests in a number of public and private companies.

A young Accountant is required to join this central team and take responsibility for monitoring subsidiaries' financial controls, reporting and cash position as well as for group accounting, tax planning and investigations.

Candidates, qualified ACAs with a commercial outlook, should be in their mid twenties with up to 2 years' post qualification experience, including consolidations and audit reviews gained in a major accountancy firm.

In addition, exposure to international tax planning and budgetary control would be useful assets. The group's programme for rapid expansion demands candidates of a high intellectual calibre.

Please send in confidence full personal and career details to Mark Rodrigues, quoting reference 1183/FT on both envelope and letter.

Deloitte Haskins + Sells

Management Consultants

128 Queen Victoria Street, London EC4P 4JX

FINANCE DIRECTOR

Our client is the leading company engaged in the field of international financial printing and communications. This private company has world wide blue chip clients and operates from its headquarters in the City of London. The position requires a graduate qualified accountant aged 35-45, with at least 10 years post qualification experience in a manufacturing/service environment and who is currently operating as finance controller or director level.

Reporting to the Managing Director the successful applicant will be responsible for managing the financial, accounting and reporting functions supported by a staff of 12. A working knowledge of computer based

management information systems and the ability to introduce new systems will be vital assets. Clear evidence of successful management of change, problem solving and project management will be sought, so will be the ability to become an active member of a young and progressive management team.

Salary is negotiable around £20,000 and the position carries an executive profit sharing bonus, pension and BUPA.

Male or female applicants should apply in the first instance in strict confidence enclosing full personal and career details to Mercui Urval Limited, 1 College Road, Harrow, Middlesex HA1 1YZ, quoting reference 527.

Mercuri Urval

habitat / mothercare

Financial Controller

New Appointment

c £17,500 + car

You will join a recently formed subsidiary of this major and fast-expanding international Group which has an enviable reputation in the retailing world with its concept of "good design at good prices" and its imaginative selling through some 500 outlets. Reporting to the Managing Director you will establish the accounting function and provide commercial management, particularly in relation to project costing, for catalogues. Additionally a positive contribution to the overall management of the company will be expected. Located at the London (West End) Group Head Office you will have close contact, in a dynamic working environment, with senior Group executives and there will be excellent opportunities for career progression. Aged about 30 and qualified, your Industrial/commercial experience should include computerised accounting and must demonstrate an ability to cope with the flexible attitudes so inherent in the design industry.

Telephone: 01-247 9431 (24 hour service) quoting Ref: 0482/FT. Reed Executive Selection Limited, 122 Whitechapel High Street, London E17PT.

MERCHANT BANKING A.C.A.'s

Neg. to
£16,000 Package

Recently qualified
or aged
up to 30

Please telephone
and send c.v. to:
Barry C. Skates
A.A.E.
1/3 Mortimer Street
London, W1
Tel: 01-637 5277

Financial Controller

Nairobi to £18,000+ House+Car

Our client a manufacturing company subsidiary of small international group seeks a well experienced commercially motivated accountant as Financial Controller.

Candidates must be qualified aged 30/40 preferably worked overseas and developed and implemented costing systems in a manufacturing environment. Prospects of a move into General Management in the medium term are excellent.

In addition to attractive salary, free house and car fringe benefits include pension scheme, child education grant, club membership and 30 days leave per annum. Applications to R. J. Welsh,

Reginald Welsh & Partners Ltd
ACCOUNTANCY & EXECUTIVE RECRUITMENT CONSULTANTS
123/4 Newgate Street, London EC1A 7AA. Tel: 01 600 8387
(Associate Offices in America & Nigeria)

REGISTER OF QUALIFIED ACCOUNTANTS

The Select Candidate Approach.

For companies seeking senior financial executives discreetly and cost effectively, we provide access to those candidates who are not actively pursuing the market but who would nevertheless be interested in certain career opportunities.

For further information on our search and selection procedures please contact:

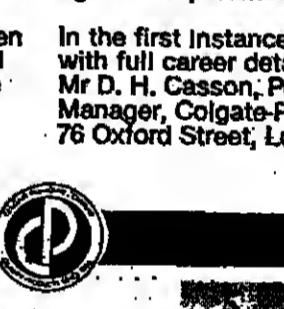
Z. Gardner (Research)
UNADEX, 170 Bishopsgate
London EC2M 4LX
Telephone: 623 2918

Financial Controller

Bombay, India

Colgate-Palmolive, a major international, the opportunities that we can offer to progress to the highest financial positions are excellent. This, of course, depends on your capabilities.

The position carries with it a salary and benefits package which will be commensurate with your age and experience.



Colgate-Palmolive

FINANCE CONTROLLER IN PROFESSIONAL SERVICES

28-38 AGE

Expanding international company specialising in profit improvement projects for major retailers and consumer goods distributors requires a capable and hardworking executive to work directly with Chief Executive to take over responsibility for:

- * financial control
- * office administration
- * investment directions
- * legal and secretarial
- * systems applications

Ideal candidate will be around 28-38 years with good first degree and accountancy qualification willing to accept challenge of direct contribution to the growth of this tightly knit company and capable of progress to Director.

Salary is negotiable depending on experience and ability and can be over £15,000 p.a. Profit sharing, non-contributory pension and medical cover are additionally available.

Please write to Chief Executive with CV for appointment.

Edward R S Whitefield
Management Horizons (UK) Limited
Ryde House
391 Richmond Road
Twickenham
Middlesex TW1 2EP

Finance Director

£25-27,000 salary net

Our client is a long established profitable group, with a £30 million turnover, engaged in a wide range of trading activities, shipping, manufacturing, tourism and hotel investment. The group is located in an unusually interesting and particularly pleasant developing Country and is associated with an important U.K. based international company. There are good career prospects.

The Finance Director who must be a Chartered Accountant with a good track record in commerce or industry, will have to deal with top level government and institutional officials and therefore should have a well rounded education. An ability to speak French is preferred as is overseas experience. Age 35-45.

The remuneration package will additionally include housing and services, car, educational and home leave and other allowances.

Please write with full career details to David Munns, Managing Director, Korn/Ferry International Limited, 2/4 King Street, St. James's, London SW1 5QL.

**KORN/FERRY
INTERNATIONAL**

Accountant

Circa £14,000 + car

We have been retained by a UK Insurance Company who are American owned to select a Professionally Qualified Accountant to join their Surrey based Financial Accounting Division.

The Division's major responsibility is the Financial Control of the Group UK Insurance Company and its Underwriting Agencies. Additional responsibilities include the UK Subsidiaries of two Japanese Insurance Companies.

Reporting to the Company's Chief Accountant, the successful candidate will become a key member of the Management Team and be expected to provide a significant contribution in terms of Corporate Development, Financial Appraisal and Computer Systems.

The position offers the scope and opportunity to secure a challenging and rewarding career with a company committed to expansion.

Suitable applicants are likely to be aged around 30 and preferably possess an insurance background, although the more essential components are ambition and a desire for total efficiency.

An attractive Fringe Benefits Package is offered which includes a Contributory Pension Scheme, Free Medical Expenses, Permanent Health and Life Assurance Schemes.

Please send your detailed c.v. to David Curtis, P.R., 4/6 Grosvenor Place, London SW1X 7SR.

PER
Confidential
Reply Service

CHIEF ACCOUNTANT

Middlesex c£13,500 + benefits

Our client, jointly owned by two large well-known US and UK public groups, has established a fine reputation for the manufacture and marketing of a range of catalysts and chemical products for use in the oil industry. Production is in the UK, France and Germany, and the markets are worldwide.

The Chief Accountant will be responsible to the Managing Director for all aspects of financial management and control including budgets, treasury and foreign exchange, tax, etc. but specifically for monitoring, consolidating and reporting regularly upon the performance of both the UK and European companies both to local and group management, and for financial planning. Systems are computer-based.

Candidates, preferably in their early 30's, must be qualified with good commercial experience of multi-site operations and must have a flexible, adaptable approach. The salary is negotiable around £13,500 p.a. plus benefits.

Applicants should write in confidence with details of previous experience and current salary, quoting reference DF 1917 to John Hills at

Dearden Farrow A.I.M.,
Management Consultants,
40/43 Chancery Lane,
London WC2A 1JL.

A.I.M.

Finance and Administration Manager

£12,000

Central London

Iyastar, part of the DHL Group of Companies, is the leading telecommunications service and provides enhanced Telex Services on a worldwide basis. The Company wishes to appoint a qualified Accountant, male or female, as Finance and Administration Manager at their Central London offices.

Reporting to the Managing Director, you will be responsible for the full finance and administration services of the Company with emphasis on costing, credit control and management accounts. You will be a key member of a small but energetic team where self-motivation counts. This is a rewarding position with excellent career opportunities within the DHL worldwide Group.

Please send written applications, containing full career and personal details, to: A. West, Management Resources International Ltd, St. John's Place, 37-43 High Street, Hampton Wick, Kingston-upon-Thames, Surrey KT1 4DA.

LYDIASTAR TELECOMMUNICATIONS
Part of the DHL Group of Companies

Accountancy Appointments

Director of Finance

London

c £30,000 + car + benefits

Our client is a marketing-orientated US multinational with operations at a number of worldwide locations. A steady growth rate and successful expansion has resulted in a UK regional turnover of around £25 million. A graduate-calibre qualified accountant is now sought to be responsible for the UK's financial operations. Candidates should have multi-national exposure at a senior level. The role reports to the financial headquarters in New York and is responsible for financial planning and control within the UK.

Vital elements of the appointment involve considerable man-management skills, including excellent communicative ability, familiarity with computerised systems, continual liaison with marketing management; and an aggressive commercial approach. Mobility is a key factor as occasional overseas travel is envisaged and it is likely that the position will lead to an overseas posting - possibly USA - after 2-4 years.

For an individual, aged 30-35 years, with ambition, dedication, an exceptional track record together with the ability to respond positively in a progressive environment, the financial rewards and career prospects are first class. Candidates should write, enclosing a comprehensive curriculum vitae and quoting ref. 920 to Nigel Hopkins, FCA at 31 Southampton Row, London WC1B 5HY.



Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

FINANCIAL CONTROLLER

London

c £22,000 + car

The Company is a major division of a privately owned Group having a turnover in excess of £80m, involved in the most buoyant sector of the food industry. The high calibre of the present very professional management team is clearly demonstrated by the rapid expansion and consistently high level of profits achieved.

The Financial Controller will report to the Managing Director and take full control of all aspects of the financial function.

The person appointed will be an important member of the management team of the Company, and will be encouraged to play an active part in the day to day affairs of the Company.

The position calls for a qualified Accountant, probably aged 30-38, with sound, broadly based financial experience, ideally involving F.M.C.C. The Company's business is particularly fast moving and demands an exceptionally quick mind and a very decisive character. Experience of international currency is also desirable.

Salary is negotiable around £22,000 plus car and a full range of benefits. Prospects for further advancement are excellent.

Please send in a detailed c.v. or contact us for an application form:

Vincent Lyddieth

PERSONNEL SELECTION

Personnel Selection Limited, 46 Drury Lane, Solihull, West Midlands B91 3BJ
Telephone: 021-705 7399 or 021-704 2851

Assistant Investment Manager Venture Capital

C.I.N. Industrial Investments wishes to appoint an additional manager due to the continuing expansion of the venture capital investments. The company is the direct investment branch of the Coal Industry Pension Funds and has a long term commitment to project finance and small company investment.

Reporting to a Director, the Assistant Investment Manager will be required to review investment opportunities and recommend appropriate structures as well as monitor existing investments.

Candidates should have an accounting or financial qualification and relevant experience.

Salary will be dependent on qualifications and experience and excellent conditions of service include generous leave.

Please write with full details to

D. J. Prosser, Managing Director,
C.I.N. Industrial Investments,
c/o Staff Department, Room 237,
Robert House, Grosvenor Place, London SW1X 7AE.
This appointment is open to men and women.

NCB

FINANCE MANAGER

25 - 30

London WC2

up to £16,000

A young dynamic service company related to the entertainment and sports industries provides fully automated ticketing and related accounting systems. These systems are already in operation in Europe, Canada and the United States; the newly established UK company has exciting prospects.

They require a Finance Manager who will report to the General Manager and be responsible for the complete accounting function including:

- the operation and further development of a modern accounting system
- the production of monthly and annual accounts
- the preparation of annual plant and longer term forecasting
- the development and operation of budgetary control systems
- cash management

Candidates should be aged between 25 and 30 and must be qualified accountants and have had some years experience in a service industry. This is a challenging appointment and there are prospects of promotion to Financial Director within 12 months.

Salary is negotiable to £16,000.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref. 2094 to W. L. Tait.

Touche Ross & Co, Management Consultants

Hill House, 1 Little New Street, London EC4A 3TR. Tel: 01-353 8011.

A member of the Management Consultants Association.

Accountancy Appointments

Wanted! Alive!

An accountant who can do more than count

Reward c. £17,000

are you?

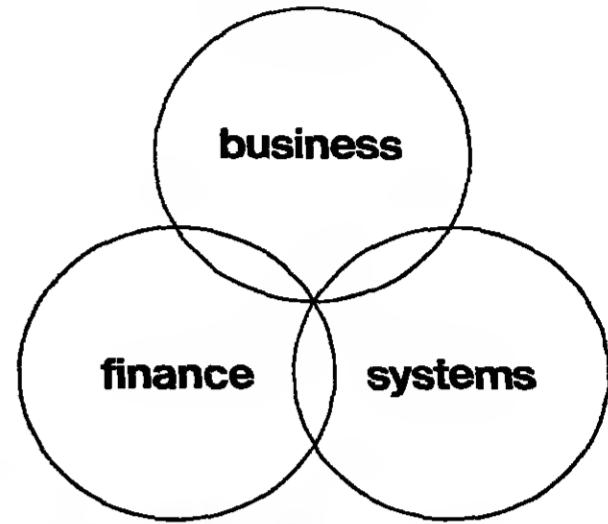
- a qualified accountant
- a university graduate
- currently working in industry or commerce
- aged 27-30
- alive and well and living near Reading.

can you?

- address problems logically
- implement solutions.

do you want?

- exposure to a wide range of businesses
- to grow fast
- to join an expanding team of professionals.



If so and you would like to join one of the UK's leading firms of management consultants, write to Neil Drummond explaining why you are the person he's looking for, including a daytime telephone number and quoting Ref. 2076.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Bridewell House, 8 Greyfriars Road,
Reading RG1 1JG.

Financial Controller (Director Designate)

c £19,000 + car

Our client, a substantial Lloyd's broker with a profitable £2.4 million insurance broking commission in 1982, is part of a public group of companies whose diverse and profitable activities also include engineering and property development. The group of companies plans to maintain its enviable growth record including the continued expansion of the insurance broking activities.

To assist with this expansion a Chartered Accountant is now required to make a positive contribution as part of the insurance broking senior management team on all financial and accounting matters. Principal responsibilities will include the development and management of the accounting function, and effective cash, currency and investment management.

Applicants, aged 35 to 45, must have already gained significant management experience in insurance broking, preferable Lloyd's and should also have practical experience of cash, currency and investment management. Candidates should also be able to demonstrate a progressive career to date as the basis for the future career potential which the appointment offers.

In the first instance please write in complete confidence quoting Ref. 27626 and submitting a curriculum vitae to:

Peter Childs,
Pannell Kerr Forster Associates,
Lee House,
London Wall,
LONDON EC2Y 5AL.

Pannell Kerr Forster Associates

Assistant Company Secretary Lloyd's Agency

up to £25,000 p.a.

+car+benefits

Our client, a profitable and expanding Lloyd's Managing Agency is now seeking to recruit a successor to their company secretary who will be retiring at the end of 1984. The successful applicant is likely to be a chartered accountant in his/her middle 30's who has gained secretarial experience in a publicly quoted company, ideally in the Lloyd's market. Reporting directly to the present secretary, the assistant will have day to day responsibility for a wide spectrum of company secretarial functions. In addition it will be necessary to work closely with the financial director on planning for and implementation of a 'public listing', which forms part of the company's corporate strategy. The company offers an attractive range of fringe benefits and provides every opportunity for a worthwhile and personally satisfying career in the City. Please write in strict confidence, giving full details of career and experience to date to Stuart Rochester at Neville Russell, Chartered Accountants, 246 Bishopsgate, London EC2M 4PB.

**Neville Russell
Chartered Accountants**

WEST LAMBETH HEALTH AUTHORITY

This major London Teaching Authority requires three enthusiastic and ambitious accountants for senior posts within the District Treasurer's Department. Applicant will be qualified, or part-qualified and actively studying, and capable of contributing to the financial management of an organisation with a revenue allocation in excess of £70m. These posts offer excellent opportunity to develop a career in a progressive environment where personal involvement, initiative and professional skill will be appreciated.

(a) Systems Accountant—Scale 14 (£10,401-£12,431 incl. L.W.)

A self-motivating accountant is required to develop, improve and report on all financial systems within the Authority. He/she will work closely with the Chief Internal Auditor to determine objectives and initiate detailed reviews of all systems reporting on weakness and making recommendations for improvement.

(b) Deputy Unit Management Accountant: Acute Unit—Scale 9 (£9,364-£11,274 incl. L.W.)

The successful applicant will be expected to make a significant contribution to the further development of management accounting techniques in the District and will be responsible for providing a full and comprehensive budgeting and costing service to the Acute Unit.

(c) Assistant Exchequer Accountant—Scale 9 (£9,364-£11,274 incl. L.W.)

Responsible for the management of the technical accounting section, this is a demanding post which will provide invaluable experience in NHS accounting for an ambitious accountant.

Application forms are available from the Personnel Department, St. Thomas's Hospital, London SE1 7EH. (Telephone: 01-228 9328, Ext. 2423.)

Closing date for applications: 2nd June, 1983.

SPM/TH/BW
11th May, 1983

COMPANY SECRETARY/FINANCIAL ACCOUNTANT

An expanding private company engaged in the technology of electrostatics turnover circa £2,000,000 requires a positive Chartered Accountant as Company Secretary/Financial Accountant with a view to becoming Financial Director. This is a challenging and rewarding position and some overseas travel will be involved. Salary £10,000-£12,000.

Write with cv to Box A824, Financial Times
10 Cannon Street, London EC4P 4BY

Exceptional Graduate Chartered Accountants

£12-13k

London

Your university degree is a vital component in our client's assessment of your career to date. They are particularly keen to meet ACA's/CA's with a science, mathematics or engineering degree.

Two varied positions now offer the scope to use your degree skills within the wider aspects of this multi-national business.

They also offer an excellent remuneration package, choice and flexibility in career planning and the opportunity to become involved in the forefront of future technology. Interested applicants should contact Robin McWilliams, M.A. on 01-242 0965 or write to him at 31 Southampton Row, London WC1B 5HY.

Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

Chief Accountant

Abu Dhabi

c £24,000 Tax Free + Furnished Accommodation

We have been retained by a Regional Financial Institution to recruit an Arab qualified accountant as Chief Accountant.

The successful candidate will already have achieved a responsible position in public practice or a banking institution and be in his early 30's.

In addition to attractive tax free salary other benefits include furnished accommodation/pension scheme/first class air fares/shipment of personal effects and 60 days annual leave.

Applications to R. J. Welsh,

Reginald Welsh & Partners Ltd
ACCOUNTANCY & EXECUTIVE RECRUITMENT CONSULTANTS
123/4 Newgate Street, London EC1A 7AA. Tel: 01 600 8387
(Associate Offices in America & Nigeria)

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Avon sharpens its strategy

IF YOU are one of the world's 1.3m Avon ladies—one of those house to house sellers of the famous American cosmetics—you may have to look to your laurels. The company is becoming less tolerant of those of its representatives who content themselves with a modest level of sales in their allotted territory, usually by selling just to friends and relations.

"I wouldn't say Avon had been running out of steam, exactly," says Jim Preston, president of the Avon division of the company since late 1981. "But maybe we have concentrated too much on adding representatives to our salesforce and not enough on productivity. By subdividing sales territories into units of only 100 homes we have got to the point where some people aren't serious about selling."

In the past few months Avon has embarked on a sharply different strategy aimed at recruiting a more ambitious and productive kind of sales representative, spending heavily on advertising and adopting a generally higher profile after several years of a more discreet existence. The new strategy is being applied first in parts of the U.S., which accounts for half the Avon divisions sales, will gradually spread across the country and then be introduced in Britain, other European countries and in the rest of the 30 countries where Avon operates.

Why a change was needed can be seen in Avon's 1982 results. Net sales of the Avon division (which make up about 80 per cent of Avon's total sales) fell 4 per cent last year to \$2.34bn (£1.5bn). Sales in the U.S. were static at \$1.23bn and although the number of representatives rose slightly, they collected smaller orders. International sales fell 7 per cent to \$0.18bn, heavily affected by devaluations, especially in Latin America, major market for Avon. Operating profit for the division declined to \$337m and earnings per share for the whole company fell from \$3.66 in 1981 to \$2.75 last year. The only encouraging factor was a 3 per cent sales upturn in the last quarter of 1982.

The explanation for the poor figures lies largely with the recession, which hit Avon's market—the middle class—almost as soon as it began in 1979. But the recession showed up weaknesses in the company which up to then had been masked by fast growth.

Avon, which was founded in 1886 by David H. McConnell from New York State (he later



named the company Avon because of a fondness for Shakespeare and his birthplace) is based entirely on house to house selling. Its products—cosmetics, steaks and fashion jewellery—may not be advertised but are only sold in the home. A world-wide network of district managers (almost all women) control an army of Avon ladies who distribute samples, take orders, pass them back for delivery within five days, and supply them to the customer—"hopefully taking a repeat order in the process," says Preston.

The Avon lady gets a 40 per cent commission on all sales, and the district manager, who are salaried, can get a commission equal to about 10 per cent of their total pay if they are successful.

In the U.S. where there are 450,000 Avon ladies, the system has been perfected to the fine art, virtually every dwelling in the country is known to Avon ("we have a good information about the country at the census bureau," says Preston, "and we get it simply by counting.") As Avon's penetration increased and more representatives were hired the standard unit for each saleslady declined to only a hundred homes.

But that is now thought to be part of the trouble, since it makes it too easy for the Avon lady to register a just about acceptable level of sales without doing much work. Avon

job of training and enthusing the representatives under and earning higher commissions.

At the same time Avon is spending between \$20m and \$30m this year on advertising—spending that is only worthwhile if salesladies are available and willing to follow it up. For the company has no intention of abandoning direct selling: there may be difficulties of communication between customer and saleslady, but, says Preston, "you're not having to persuade an outlet like a shop to display Avon more prominently than other makes—once the representative goes into the home she is only selling Avon."

Preston was in Rome recently to greet 250 American district managers who were given a free week's holiday at the luxurious Excelsior Hotel in the Via Veneto as a reward for their outstanding performance in 1982—they belong to what the company calls its Circle of Excellence. For, despite the fact that being an Avon representative is presented as "running your own business," involving representatives and district managers is a crucial and constant need.

While the U.S. is the heart of the Avon business, both Europe and Latin America are major markets. The UK is Avon's biggest and fastest growing market in Europe, having recently overtaken West Germany, where door-to-door selling still means resistance. Northern and Central Italy is a good market, while France and the low countries, where calling on strangers' houses is less accepted, are less satisfactory. Latin America, especially Brazil and Mexico, are good though the middle classes there are a relatively small proportion of the whole population, the cosmetics market is relatively undeveloped and Avon's market share is far higher than in the U.S.

The Avon division is still the most important part of Avon but in recent years it has diversified by purchasing Mallinckrodt, a health care products firm ("it's a non-cyclical business—people don't stop getting sick in a recession"), a direct mail company, and Tiffany and Co., the famous jeweller. "But they all remain separate businesses—there is no question of selling Avon products at Tiffany or using Avon methods to sell Tiffany products," Preston says.

By James Buxton

IN A JUNGLE where competition rules OK, it is the street-wise animal that stays the fittest. In business, too, it's the company that knows what's what in the market place, that regularly takes the pulse of consumer needs and conducts its strategy in tune with shifting moods, that assures itself of a secure future. But how to do this? The search for ever more sensitive methods of achieving this absorbs many a marketing man's time.

Put the case another way. Ask a company if it knows how good it is and the answer is likely to be yes. Ask if it it knows why it's good and the chances are it won't know. The same with competition. A company may know how good its rivals are but it is unlikely to know the reasons why. Yet knowing the answers to these questions can be the key to improving a company's performance.

In 12 days' time, an original research system that aims to answer these very questions is to be launched as a software package in both the UK and U.S. The Director system claims to provide an objective way of measuring the strengths and weaknesses of a company's performance across a broad range of related market factors.

It has been described by leading management authorities in the U.S. and Europe as being five years ahead of the field.

The software package aims to provide a framework for action by indicating the type of information a company must consider to assess its own standing in the marketplace. When "digested" by the computer the information emerges as a comprehensive table of figures, rating consumer needs in priority rankings across the various marketing categories.

Thus, the importance of, say, product quality can be rated against service, price, publicity and so on. More importantly, it rates a company's performance in each category, and overall, against those of its principal competitors.

Altogether, some 150 clients have used the system on a consultancy basis, including blue-chip names in most industries and services, as well as government departments.

Forsyth believes that what sets it apart from other systems is that it has an "objective" numeric base "which makes it easy to interpret research findings."

The system is the brainchild

of Christopher Forsyth, a Scot who is a lawyer by training and an advertising man by inclination, who developed and produced it with the support of his management consultant father. Originally—and still—existing as a consultancy, the system broke its milk teeth in the U.S., Europe and Australia before settling into the UK.

From the start it aimed at chief executives who recognised its use as a management tool that was easily implemented within their organisations.

Like Topsy it just grew, until demand could only be met

and so on. More importantly, it rates a company's performance in each category, and overall, against those of its principal competitors.

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The system is the brainchild

by translating what was a consultancy for the few into a product (ie software package) for the masses.

The company handling the software is Strategic Planning Systems International, in Marlow, Buckinghamshire, headed by managing director Bob Gilkes, managing director of UCSI Microsystems, a Unisys subsidiary.

From the one germ many offspring are now spawned. Initially there will be three software packages—the Marketing Director, the Personnel Director and Sales Director—with plans for an Investment, New Product Development, and Advertising Effectiveness system before the end of the year. A number of further packages are in the pipeline, all relating to areas shown by SPPI's own research in Europe and the States to be of prime importance to chief executives.

Each software package costs £3,000 (initial set-up cost, including the desktop computer, will be around £3,000), though there is claimed to be a good return on investment since the programmes can be used continually to monitor a company's progress against competition. SPPI has its own research and management consultancy back-up.

The company believes the system will appeal to firms with turnovers of at least £5m, perhaps even lower. In the more technologically-literate U.S. it expects to collect about 1,000 users by the end of the year, though a more modest aim is

to bring the system to the UK, Europe and Australia before settling into the U.S. It is the heart of the Avon business, both Europe and Latin America are major markets. The UK is Avon's biggest and fastest growing market in Europe, having recently overtaken West Germany, where door-to-door selling still means resistance. Northern and Central Italy is a good market, while France and the low countries, where calling on strangers' houses is less accepted, are less satisfactory. Latin America, especially Brazil and Mexico, are good though the middle classes there are a relatively small proportion of the whole population, the cosmetics market is relatively undeveloped and Avon's market share is far higher than in the U.S.

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By James Buxton

expenditure, into selling the benefits. Twelve months later it topped the American market. The company is now recognised as trend setters in the field.

● One of Britain's leading

national manufacturers of

animal feeds and a main

European distributor of cereal

and herbage seed used the

system for two objectives: to

identify and quantify farmers'

needs, and, on a corporate

note, to find out whether it

was better to unify its newly-

acquired independent mer-

chandising businesses under

the corporate umbrella or let

them continue trading under

their own names.

Pig farmers and dairy

farmers were quizzed on their

attitudes to animal feed and

needs were identified, ranked

and compared (competitors, too).

From this the company

was able to pin-point what

farmers wanted most in terms

of performance and yield

from their foodstuffs and so

develop its selling strategy.

Corporately, it emerged that

the umbrella logo carried most

weight with consumers and

the company consequently

unified its image, changing

logos, stationery, lorries and

office fascias of the indepen-

dents overnight.

"This system is as mean-

ingful a way of quantifying

attitudinal research as any I

know," says the company's

marketing director. The find-

ings were also used by the ad

agency both indirectly by

influencing strategy and

directly in a trade ad that

sings the praises of what it

calls "a unique programme of

market research."

● A leading tire manufac-

turer was losing market share,

but didn't know why. The

system identified five key

needs (influence, comfort, re-

holding, toughness and safety)

that consumers regarded as

important, with safety being

the most important. On the

back of these findings, the

company launched a new

"safety tyre" ... which had

already been developed — and

the company became brand

leader within a year. The

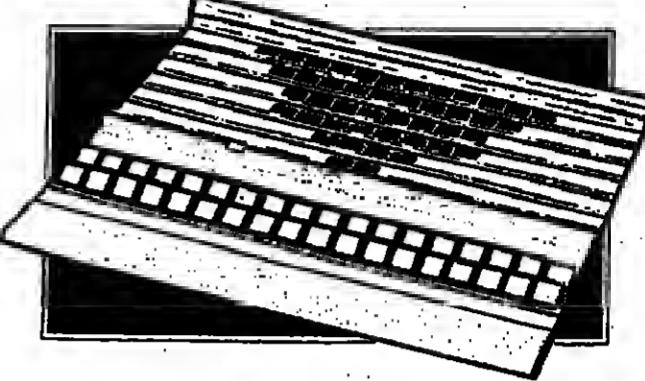
product was the first of a

trend for safety tyres.

Marketing research

The 'why' of good and bad

BY FEONA McEWAN



The hardware—The Board is used to rank factors in consumer buying and personnel performance

So is this one.

Now
Free
You
New
Save
Sex
Good
Unique
Wife
Money
Brunnings

If you'd like your advertising to work better than it does, come and talk to us.



Brunnings
Creating advertising that sells

THE ARTS

Carmen/New Theatre, Cardiff

Max Loppert

The new Welsh National Opera production of *Carmen* by Lucian Pintile is the programme announces, an "improvised performance during a Carnival." There are tokens—sandbags and hideouts forming the set, dragoons got up in contemporary guerilla dress—of a Spanish-American revolution going on in the background (and, of course, impudent performances of *Carmen* are just the sort of thing likely to be put on during revolutions).

The chorus is always present, as a "local" audience who cheer and mock the characters, join in familiar lines even (at the first notes of the *Habanera*) break into applause—this joke is thrice repeated at the start of the Toreador Song. Escamillo, a glitter-clad, autograph-dispersing superstar, is rendered in broad stereotype. Micaela, a blind milkmaid (a distant descendant of Fenella, the matin ballerine, heroine of Aubrey's *Wasenstelle*); the rural toughness that underlines her Act 3 rescue bid is nowhere in evidence.

In the scenes of greatest dramatic intensity the demotic background recedes a little (with the help of lighting of staggering brilliance by John Waterhouse), though not for long. The final confrontation is preceded by a procession of masks and tumblers, a rainbow-hurst of colour after which that is brought off with high verve. This, and not the finale, provides the performance with its climax; for in essence this is a

Carmen with its story placed resolutely in quotation marks.

It appears that some rather puzzling celebration attended the conception of this *Carmen*. It was suggested in the Times interview with Pintile and further, by him and Anthony Peatle, in the WNO booklet programme. It runs roughly as follows: *Carmen* is now a "superopera," victim of a popularity so great as to shackles the work in near-impenetrable bonds of automatic response. What is therefore needed (and here I borrow the language of doctrinal conservatives usual in such arguments) is a judicious act of overhaul, to save *Carmen* from itself. First Carmen Jones, then Brook's *Tragedie de Carmen*, now Pintile's—this is the official lineage of the rescue team, with the difference from Brook that Pintile's opera intends to re-activate the opera's playful, part-opéra-comique roots.

For most people, this will seem so much hogwash, so much intellectual frippery. The opera's popularity is no greater than that of, say, Beethoven's Fifth; what is always needed to "rescue" both (as the recent Royal Opera *Carmen* proved, in ageing sets with ill-chosen supporting players, hot with a sensitive conductor and an electrifying Carmen and José operating a Carmen as a close-knit team) is authentic renditions by suitable performers—a musical unfolding, a tracing of the skein of relationships, with fine-nerved fidelity.

The performance style could even be seen as a technically successful attempt to make the best of a vocally inadequate cast. The American mezzo Jennifer Jones is a lustrous, sinuous actress but an uncertain vocalist, with small power and a truly effective range of tone; in an octave—the rest is chancy. Helen Field (Micaela) and

Henry Newman (Escamillo) struggle with their arias only with the right but rather affecting tenor of Jacque Tissell, a moving José, is one reminder of the native power of the music.

Kees Bakelaars conducts a nicely exuberant reading, employing a spoken-dialogue version (in English) into which a fair amount of discredited additions from the Ossen edition have been stirred; in a performance of this kind, complaint about editorial impurity is frankly beside the point.



Henry Newman

Henry Newman (Escamillo) struggle with their arias only with the right but rather affecting tenor of Jacque Tissell, a moving José, is one reminder of the native power of the music.

Dead Ringer/Duke of York's

Martin Hoyle

In a Number 10 whose wall-paper betrays a not too distant kinship with the décor of restaurants redolent of the Indian sub-continent, a smoothly efficient PM briefs his intimates on the brink of a general election. While speaking of breaking down class and racial barriers he chuckles on a cliché and collapses, complaining of a pain "like a steel band across my chest."

He is referring, it transpires, not to a Jamaican钢带, but to a presumed heart attack. The Home Secretary's suggestion of an ambulance is briskly countermanded by the Minister for the Arts. "Get me some brandy instead," she snaps with the decisiveness we have come to expect of women politicians; and drinks it herself.

The leader's death spells potential disaster for the party as his deputy looks like Otto Kumm, and source like James Callaghan, a combination that his colleagues shrewdly surmise might have a damping effect on the ardour of the electorate.

The Arts Minister remembers an actor once spotted in provincial rep who bears an all-too-canny resemblance to the dead premier; and the scene is set for a face-saving hoax to sea the government through the election and back to power.



Sylvia Sims and William Franklin

occasionally wry suavity of which he is master. He is supported by a cast who, with Roger Cissold's direction, faithfully reproduce, one feels, the sort of rep performance in which the obliging impersonator was first discovered. The play will certainly run until the election; after which both it and the then Prime Minister may have to withstand a newly suspicious scrutiny.

Record review/Max Loppert

Bold originals revisited

Tippett: Triple Concerto. György Solti, Nobuko Imai, Ralph Kirshbaum/LSO/Colin Davis. Philips digital 6514 209, also on cassette

Berlioz: Lélio (with José Carreras and Thomas Allen). Tristia. LSO, John Alldis Choir/Colin Davis. Philips 9500 944, also on cassette

Berlioz: Les Nuits d'été (Kiri te Kanawa), La Mort de Chôdopâtre (Jessye Norman). Orchestre de Paris/Daniel Barenboim. DG digital 2632 047, also on cassette

Britten: Our Hunting Fathers, six Folksong Arrangements. Elisabeth Söderström/Weiss National Opera Orchestra/Richard Armstrong. digital ASD 4397, also on cassette

Britten: Our Hunting Fathers (Peter Pears/LSO/Benjamin Britten). On This Island (Pears/Britten). A Charm of Lullabies (Helen Watts/Britten). EEC Records REGL 417

critics quite as much as to invigorate them. The largely enthusiastic initial reception of the concerto did not exclude those few dissenting voices who detected in the work's construction and content signs of looseness and uncritical self-repetition.

The Phillips record, designed most of all to give pleasure, is also excellently placed to subject all such opinions to searching examination; for it offers a presentation of which there can be scant criticism—an exemplary recording, in which almost all of the work's many complex levels of timbre and texture are accurately and imaginatively spaced, of an exemplary performance.

Colin Davis's grasp of the Tippett sound-world, long celebrated for its special perceptiveness, deserves renewed admiration; and the soloists, those of the première, go far beyond virtuosity—though there is sufficient of that to call on for the many passages of executive intricacy—to work rich veins of characterisation in the three distinct, and nicely differentiated, styles of string-writing.

For myself, I find that repeated hearing has brought increased conviction of a work holding together as a whole, not just on a patchwork in which some of the patches are of wonderfully immediate attractiveness. But whatever the final reckoning, this is a work, and a record, that rewards the closest attention. There has been complaint that its two sides, comprising a total of only 35 minutes' playing time, give rather short measure; yet they are 35 minutes jam-packed.

That Sir Colin is a matchless Berlioz conductor is another received opinion given passionate reaffirmation by the latest instalment of his Berlioz cycle. It contains oddities requiring—and here receiving—a control at once taut and intense in conviction if they are not to fall apart at the seams.

Even in a Davis performance, Lélio or *le retour à la vie*, the cantata planned as a sequel to the *Fantastic Symphony*, remains the most problematic of Berlioz's creations. It is here presented without its narrative fervor, effusions which spare the listener some embarrassment while tending to underline the wildly uneven quality of the musical numbers. Tristia, the companion collection, is like Lélio an assemblage of pieces extant prior to assembly; by contrast, however,

movement of widely contrasted thematic groups in jagged assemblage; and it is broken off, no less abruptly, in a way that allows Tippett's "world-view" preoccupations of more recent date to switch the focus. The reverie is interrupted by a jazzing section, rather more a gesture in shorthand than a new train of thought (the most sustained critical disapproval was aroused by this section); it leads to a finale in which various component parts are reassembled, but in a puzzlingly ethereal way.

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the music is all of wonderful beauty, and, in the case of the concluding *Homlet* Funeral March with its wordless choral interjection, of a stern sombre magnificence.

The particular art of the Berlioz conductor lies above all in the ability to balance and reconcile the stringent demands of melodic line and instrumental sonority; it is demonstrated as it were in *absentia*, by the DG collection of solo-voice Berlioz soprano—Kiri te Kanawa, at her most unforcedly lyrical and glowing in *Les Nuits d'été*; Jessye Norman, grand, sumptuous, many-hued in the Cleopatra cantata—receive less than due Berliozian orchestral support, and the overall impression suffers accordingly. Barenboim is, as ever in this composition, words enthusiastic but imprecise—detail is blurred, sharp-edged rhythms and pin-pointed applications of colour are rendered in soft focus.

Benjamin Britten's *Our Hunting Fathers* (1936), his first large-scale undertaking for solo voice and orchestra, waited a long while for its first recording; now, by chance, there are two. From the BBC Archives there has been extracted a 1961 unrecorded performance (in mono) by Pears, Britten and the LSO—a partnership of unsurpassable wit, bite and dramatic vividness, all too accurately notwithstanding, in which the exhilarating disturbance of the early Britten-Anden collaboration comes up alarmingly fresh.

In far better sound, Söderström's new recording draws on the timbre of the high soprano for which the work was originally intended—and draws on, too, a reading of considerable flair in which even the soprano's tonal unevennesses are turned to advantage. Unfortunately, in the nature of things, it has to be accounted the second choice.

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Michael Tippett's concerto for violin, viola, cello, and orchestra is a work in which bold originality of thought and heftily of lyric feeling and sonority are combined. It is a happy exception to the disdaining treatment of most new music by the recording industry, though a just reflection of the wide popular favour in which the composer now finds himself, that less than three years after its premiere (at the 1980 Proms) the work should now be made available on record.

Tippett's late music, in spite of that general approbation, retains the power, uniquely Tippettian throughout a long career, to disconcert as well as to delight its hearers, to irritate or even embarrass its

critics quite as much as to invigorate them. The largely enthusiastic initial reception of the concerto did not exclude those few dissenting voices who detected in the work's construction and content signs of looseness and uncritical self-repetition.

The Phillips record, designed most of all to give pleasure, is also excellently placed to subject all such opinions to searching examination; for it offers a presentation of which there can be scant criticism—an exemplary recording, in which almost all of the work's many complex levels of timbre and texture are accurately and imaginatively spaced, of an exemplary performance.

Colin Davis's grasp of the Tippett sound-world, long celebrated for its special perceptiveness, deserves renewed admiration; and the soloists, those of the première, go far beyond virtuosity—though there is sufficient of that to call on for the many passages of executive intricacy—to work rich veins of characterisation in the three distinct, and nicely differentiated, styles of string-writing.

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FINANCIAL TIMES

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Thursday May 19 1983

A mandate to sit tight

WHEN THE Government decided so hastily to go to the country, we were afraid that this might not allow time for adequately-considered proposals for the next Parliament, and saddle Ministers with a set of half-baked ideas. It turns out that we were both right and wrong. There has not been time to develop a new programme; but the Conservatives have avoided the danger of half-baked ideas by publishing a manifesto that contains hardly any new ideas at all.

The metropolitan councils are to be abolished, and will be little mourned; strike ballots are to be enforced as a condition of trade union immunity, as was suggested in Mr Tebbit's Green Paper, but the means are still unclear. There will be an effort to privatise airports, and the party is still "considering" pensions transference. And more prisons will be built.

The lack of specific new proposals is not in itself a criticism; the legislative programme is not a vacuum which must be filled by bungies. However, it is legitimate to ask whether the right-wing radical counter-revolution has already run its course, and whether at a time of deplorably high unemployment and some international turmoil, it is enough for a government to run on its record.

Results

The record is set out at length in the manifesto and may well prove impressive enough to win Mrs Thatcher the election, with active help from an extreme and unrealistic Labour programme. The Government's single-minded pursuit of what it sees as financial rectitude does seem to have brought people to face market realities, though it remains to be seen whether the new mood will serve a genuine upturn. The reduced burden of tax and regulation really has stimulated enterprise, so that, under the depressing totals, the British economy is beginning to transform itself structurally.

In the public sector, too, a combination of stringency increasingly clear direction, and exposure to competition has produced variable results. Nationalised industries have become sharper in their management and more responsive to their customers. Privatisation has proved a success. This general thrust of policy is infinitely preferable to the alternatives offered in the Labour programme.

New ideas for Nato's defence

OVER THE last few months senior Nato officials have warned the countries of the Western Alliance that they are alarmingly dependent on nuclear weapons for their defence. Should war come in Europe, say men like Gen Bernard Rogers, Nato's commander in Europe, Nato will have to use nuclear weapons quickly to stop a conventional attack or face defeat.

The only way out of this dangerous situation, Gen Rogers believes, is for Nato to improve its conventional forces and spend more on new high technology weapons which can accomplish the same tasks as nuclear weapons, but less destructively.

This thesis, argued by Gen Rogers and other influential Americans like Senator Sam Nunn for more than a year, is now beginning to be discussed within Nato. The Defence Ministers will tackle it when they meet in Brussels at the end of this month.

And this week, the new ideas received their first non-governmental European endorsement, in the shape of a report from a group of military and foreign affairs experts. The 26 member-group includes Britain's Lord Carver, former Chief of Defence Staff, and Oxford Professor Michael Howard. Germany's General Franz-Joseph Schulte, a former commander of Nato forces in central Europe, as well as U.S. General Andrew Goodfellow, who formerly held Gen Rogers' post, and Mr McGeorge Bundy, the former special Presidential assistant on national security.

Danger

In a world as troubled as is today's by nuclear arms there is inevitably a danger that people will grasp at what seems to be simple—if relatively costly—solutions to Nato's dilemmas. The proposed programmes to improve conventional forces raise fundamental questions about Nato's strategy, the nature of the Western Alliance and the threat that it faces—which are far from simple.

For example, the new plans are put forward to correct the is committed.

However, these achievements could have won the Government two great opportunities; and it is these which, to judge by the manifesto, are in danger of being wasted. The first is to use the stability and confidence which have been achieved—and the notable financial innovations which are not even mentioned—to adopt a less negative approach to economic strategy. The second is to push on a little further with some of the ideas of the radical Right which provide the intellectual energy of this Government.

Judgment

On economic management, it may be fair to suspend judgment. The manifesto appears insensitive on the subject of unemployment, which is seen as the country's dominant problem by four-fifths of voters—and especially by the young and their parents. The Government could do more, especially in public sector capital formation to put unemployed people and resources to valuable work.

However, this is a difficult subject for any government in office to discuss at election time—it is a natural opposition tactic, and his Government in particular seems to have decided to do any good it can by stealth, as in the last Budget, relying perhaps on the rhetoric of austerity to keep up the psychological momentum. If money can be spent quietly, and funding achieved undramatically in the now-diversified official debt market, why bother the public with technicalities? Equally, no mandate is needed to alter the technical definitions of monetary targets. Mrs Thatcher is not as tough or as consistent as she chooses to appear.

However, the lack of any forward thrust on such topics as tax reform, education loans or the economics of housing cannot easily be remedied; radical ideas do require a mandate. The vexed question of local taxation is seemingly to be left to more central government interference.

The forward-looking part of this manifesto is not attractive, and the whole may condemn Ministers to fighting a quite unnecessarily defensive campaign. They may still be able to fill some of the gaps in the remaining weeks. We hope so; for those who proclaim the resolute approach cannot look their best when simply sitting tight.

BRITAIN'S managers do not, it appears, love Mrs Thatcher so much for her policies, or her legislation. They love her most of all because she's she.

"I have never known," Mr Patrick Jenkins, the Industry Secretary, told listeners to BBC radio yesterday morning, "such strong support from industry for a Government." Or to put it another, Denis Healey way, "The CBI is now the Government's poodle!"

Why? Why does the Government command such respect from businessmen who have had to live with the consequences of savage deflation, exacerbating the effects of an already painful world recession?

The Thatcher phenomenon is, I believe, the answer. The "management response" to a changed industrial relations climate is a complex one, in which two major elements co-exist uneasily. First, a very broad appreciation that the Government's insistence on rubbing industry's nose in the harsh reality is necessary; and second, that some at least of the policies and employment legislation may be irrelevant or even harmful. This is reflected with a view that some management—E. G. Cowley's plant, fair or not—is taken as a symbol here—have over-egged the Thatcher pudding.

It is the first of these which stands out however. "I wrote to the Prime Minister a year or so ago," says Mr Robert Maxwell, chairman of the British Printing and Communications Corporation and erstwhile Labour parliamentary candidate, "and told her that although I did not vote for her I accept that her financial realism has been helpful to me."

Maxwell's restructuring of a ramshackle printing empire to bring it back to profitability has been achieved at the cost of 20 per cent (more than 2,000) of the jobs and with union co-operation.

Unemployment seen as Gen Thatcher's sergeant major

operation. "You couldn't get the realism without a shakeout, I must concede that."

Sir Hector Laing, chairman of United Biscuits, whose advice is often heeded by the Prime Minister, is unshaken: "The Prime Minister is admired for her vision and what people see as her common sense approach to pay and productivity." But the fan club also includes a determined centrist like Mr John Garnett, director of the hands-across-the-divide Industrial Society. The Prime Minister is enormously important because of her ability to communicate simply the facts of the matter and the need to see the problems clearly."

Few managers, however, are as starry eyed as to believe that the Prime Minister's

magnetism is alone responsible for change. Some do not like her for the soft underbelly of trade unionism, memories of past humiliations undimmed in their minds.

For union leaders, the boot looms large in their daily experience. Mr Roy Grantham, general secretary of the white collar union Apex has seen his membership cut by 25 per cent (it's heavily in engineering) and realises the problems for managers — "they've been forced to cut costs and that's meant jobs — obviously they're faced with a different environment from that they've been used to. We've seen a growth of those who kick people when they're down," he goes on. "But the great problem with Thatcherism is you can't keep running an economy down, there's got to be an upturn and unions and workers remember and will want to kick back."

A useful barometer of management's apparent lack of interest in the participatory approach comes from Brunel University, a pioneer in management courses in industrial relations. Mr Ken Knight, director of the management programme, notes that after the Conservative victory in 1979, registrations for courses in employee participation and new technology agreements fell away sharply; this year, the demand for courses in negotiating skills was so low that he stopped running them—the end of a ten-year run. "Things have changed as much as anything, the Government makes management marks for making the world economy transparent; that is, allowing the bad news to flow in to every boardroom and work station. But enough?"

Mr Lealand stresses his company's philosophy of spreading the news (good and bad) and getting co-operation through information. It is, he believes, the reason why Cannon has been able to retain non-unionised (it's also careful to pay over the union rates). But

just aren't seen as a problem now. Managers say—we just do it."

To avoid the kick backs, the enlightened wing of management (that is, every manager you speak to) is busy putting in place structures which will last beyond the watershed. Mr Garnett spends much time telling such companies as diverse as Talbot, British Rail and Pecto Petfoods how to give power to managers and foremen, build "self-starting" teams, spread information and give people their proper say by which he means, let the steward represent the members to management and let the foreman represent management to the workers. "Biggest mistake," he says, "is to surround a change of attitude. People on the shop floor are prepared to accept a lot more, knuckle down to work more. I'm not saying they're plaid, but they go along with change. Before they said, 'We're not doing it' or 'We want a lot more money,' for doing it."

Cannon, producing mainly for the car industry, was hard hit by the slump and ground away at efficiency. "And the reason we're managing is because the people don't have anywhere else to go. They can't go up the road and get another job," A pessimist in his view of human nature, Mr Lealand says: "Everybody takes as much as they can get at the time. They want to get a lot — but they can't get much now."

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he believes there have been great changes—but these have only gone 25 per cent of the necessary way.

"Industrial relations committee, yields to fit in his admiration of Mrs Thatcher but says, 'I don't think we should overestimate the role of Government in the competitive sector. Management has to take the lead in bringing in new technologies for example. Government has reduced the interdependence in management's time through such things as pay

Management resolve may weaken with an upturn

policies, and that's been welcome."

Mr Garnett quotes Sir John Boyd, former general secretary of the engineering union and member of the Industrial Society council: "Johnny said that he could never recall a time when conditions were more ripe for revolution, but he could also never recall a time when we were further from it. And that's right. People do understand—and this is almost single-handed—what Mrs Thatcher has done—that there is an opportunity window now. We can do things we couldn't five years ago. But if we don't then the window will close."

Men & Matters

Legal risks

Solicitors' mistakes, unlike doctors' errors, come in expensive packages. The Law Society's professional indemnity scheme has just reported that eight claims for more than £1m each are now being handled.

The society's insurance cover is to go up in the Autumn by 15 per cent to £1,365 a year for solicitors in inner London and £1,204 for those in other parts of the country.

In contrast the highest award against a doctor in membership of the Medical Defence Union last year was £175,000 for failure to make a correct diagnosis. And even in the legal profession, the record judgment so far is £414,000 for a woman paralysed after wrong hospital treatment while giving birth to a baby.

Solicitors are at risk of getting involved in high-level commercial cases where millions of pounds are at stake. An error can have tremendous repercussions in ultimate cost to their clients. It is rare, however, for such cases to reach court and few details of the matter ever reach the public.

It is now costing solicitors nearly £30m a year to insure 22,500 members in their "master policy" scheme. It is likely that settlements every year are coming close to £25m. Judging by underwriters' experience, indeed, for four of the last six settlement years the underwriters have been in the red on the solicitors' indemnity trade.

Behind a hedge
During this ever-so-wet British Spring what are the farmers doing while the ground is too soggy for them to work in the fields sowing a new potato crop?

Why, they are snugged down by their firesides watching television electronic news services and playing the potato futures market.

Prestel CityService, which provides television pages of commodities information, has seen the demand for its potato futures page rise fourfold in the last month, and estimates that thousands of farmers are now watching it.

Judging by the figures, the farmers can't seem to see enough of this riveting stuff—even at 10p a peep.

Christopher Sharples, chairman of ICV Information Systems, which provides the commodities information, says the farmers are trying to turn their attention with the weather to profit. They are trading in potato futures on the London commodities market and attempting to hedge against uncertain crops later in the year.

Potato futures prices in London have risen from 250 a tonne to £150 a tonne for delivery April 1984 during the last ten days. Sharples expects prices to continue soaring until the wet spell ends and the farmers switch off.

Union business

David Basnett's pet project, the workers' banking institution, which a group of unions is planning to set up jointly with the Co-operative Bank, has come under fire. The unlikely attacker is a trade union—the Banking Insurance and Finance Union (BIFU).

BIFU, which represents the Co-op Bank's staff, has suggested that the Co-op cancels its 1.25% share of the investment. That is just one in a list of 23 cost-saving proposals from BIFU aimed at removing the threat of compulsory redundancies at the Co-op Bank.

Eric Hutchinson, BIFU organiser, says: "The trade union movement has got one bank already—the Co-op. Why does it need another?"

In ordinary times he might have been expected to support the Basnett big bank scheme.

But the IRS differs sometimes in its interpretation of laws and regulations. And that can mean demands for additional taxes.

However, Basnett need lose no sleep. The Co-op is unlikely to go along with BIFU's suggestions. It argues that its problem of low profitability (earnings down nearly 60 per cent last year) is a revenue matter and not connected with capital investment.

BIFU is determined not to let sentiment about the Co-op link with the Labour Movement get in the way of its first business of defending its members. It may take industrial action (agreed by a four-to-one vote) if the Co-op, which wants to cut 250 from its 3,200 staff, goes ahead with compulsory redundancies.

Honesty cover
Help is at hand for those Americans who live in fear of an Internal Revenue Service (IRS) audit swoop.

A Washington-based insurance company called Victor O. Schinnerer has come up with an insurance policy which pays up to \$100,000 to cover additional taxes demanded by the IRS following a tax return audit. Premiums will average \$600.

The only catch—the taxpayer has to be honest and reasonable.

A policy stipulation is that the tax return must be prepared by a professional tax adviser, and policies do not cover "fraud, mathematical error, or claims made without economic substance."

That seems to rule out many potential claims. But Schinnerer points out that its new product is designed to meet what it calls the "taxpayers' dilemma."

That ugly situation rears its head if a taxpayer tries in all good faith, while complying with IRS rules, to keep personal income tax as low as possible.

But the IRS differs sometimes in its interpretation of laws and regulations. And that can mean demands for additional taxes.

The alternative is not to claim deductions because of fear of an IRS audit. Either way the taxman wins.

Export team

When I inquired as to the activities of the London Export Corporation I was told they are "very big in feathers" . . . also in casings for sausages.

These esoteric activities are far from the end of the story, however. LEC has built up a turnover of some £60m a year over the last 30 years by specialising in trade with China. Commodities, machinery, and consumer durables are included in the group's import-export range.

But exporting a British football team to China, albeit temporarily, is trade on another scale altogether. Which is why LEC has pulled in as sponsors a chemical company Albright and Wilson, Compton, Celanese Corporation, Davson the textile firm, and Pergamon Press, to help send Watford Football Club on a Chinese tour.

Watford leaves at the end of the month for a two-week visit with matches planned in Peking and Shanghai. The club's chairman Elton John, the pop singer, is going with the players as well, although an injection of Western pop culture into China does not seem to have any part in what is essentially a sporting fixture.

LEC's joint managing director Graham Perry, who will accompany the team as honourable linegman sees the tour as "very much a public relations exercise." He says: "You can't play with a Chinese but you can take him to a football match."

That ugly situation rears its head if a taxpayer tries in all good faith, while complying with IRS rules, to keep personal income tax as low as possible.

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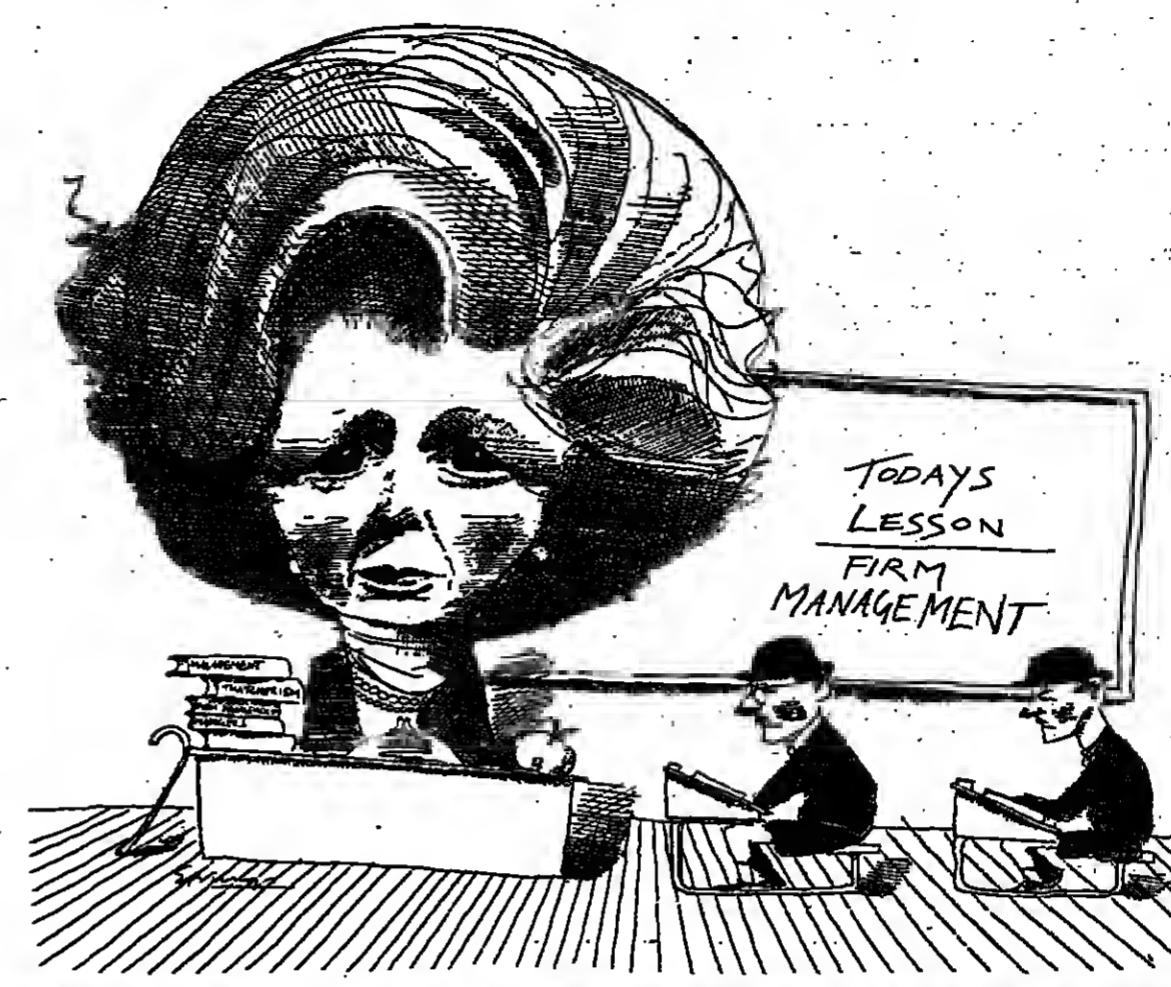
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JUNE 9
BRITAIN'S ELECTION



By John Lloyd, Labour Editor

Mrs Thatcher opens a window

problems, over two-thirds believed unemployment was the main factor holding wage militancy in check and three-quarters believe their resolve will weaken in face of an upturn.

Mr Eric Pandoe, EPIC's managing director, and a consultant to a number of large companies, says many managers believe the Government is tinkering around the fringes of industrial relations. "They think they should stop playing politics and get down to the realities."

</div

KENYAN POLITICS

Moi throws down the gauntlet

By Michael Holman in Nairobi

ONE OF the most extraordinary weeks in the 10 years since Kenya's independence has culminated in President Daniel Arap Moi's decision to go to the polls in September, a year earlier than expected. His aim is to win a fresh personal mandate to enable him to control ministers and civil servants who he claims are disloyal or corrupt.

Western governments and businesses—for who in the past the country has been an African model of pragmatic, broadly capitalist policies—will be watching with concern.

The abortive coup of August 1 last year (150 people were killed and looters caused \$200m worth of damage) raised doubts, yet to be set at rest, about the long-term stability of the West's closest ally in black Africa and the regional base for multinational investors.

These doubts have been reinforced by Kenya's economic difficulties. The country's economic system has not proved broadly based or strong enough to escape the impact of the international recession which has left Kenya almost as vulnerable as its socialist neighbour, Tanzania, to the consequences of falling agricultural export prices and the rising costs of fuel.

Western diplomats and businessmen had hoped that unlike Tanzania, a greater willingness to adopt International Monetary Fund programmes coupled with continued encouragement of the private sector might help an early recovery.

Yet in the months since the coup attempt, Kenyan politics have been marked by near constant bickering amongst ministers and officials distracted by personal rivalries.

It reached a climax last week. "Plot to install new President," proclaimed the banner headline over the story on the front page of a Kenyan newspaper.

Set out below was President Daniel Arap Moi's allegation that unnamed foreign powers were grooming "a certain person" to take over from him.

It set off an enthusiastic witch hunt for the alleged traitor, variously called a hyena and a snake, who warranted grisly punishment: burning alive or being rolled down hills in a beehive were two suggestions from state M.P.s.

Emotions had reached a near hysterical pitch when on Tues-



Key political figures: President Arap Moi (centre), Mr Charles Njorjo (left) and Vice-President Mwai Kibaki (right).

day Mr Moi announced his decision to go to the polls.

In retrospect it may be that his plot allegation of May 8 was the opening shot in his election campaign. If so, it might have been better timed. It coincided with the arrival in Nairobi of scores of international bankers for the annual meeting of the African Development Bank.

"The allegation," observed one diplomat, "was an unfortunate moment." It initially sowed doubt about stability, exacerbated the political tensions and raised questions about the judgment of a leader who has yet to stamp his mark on the body politic in the same way as the man he succeeded in 1978, the late Jomo Kenyatta.

Perhaps the most puzzling element was Mr Moi's hint-based apparently on resentment at the activities of vocal anti-government dissidents in self-exile in London—that Britain may have been the power behind the plotter, whom he never named.

The supposed British link was reinforced by a sustained campaign in which politicians and party officials crudely hinted that the "traitor" was Mr Charles Njorjo, the Minister for Constitutional Affairs.

It set off an enthusiastic witch hunt for the alleged traitor, variously called a hyena and a snake, who warranted grisly punishment: burning alive or being rolled down hills in a beehive were two suggestions from state M.P.s.

Emotions had reached a near hysterical pitch when on Tues-

day he denied involvement in any plot.

In any event, in the run-up to the election, Mr Moi also has two audiences to address: He must reassure Western allies about the reliability of his administration and at the same time try to assert his authority in domestic politics.

Politically, the strains facing Kenya stem partly from personal rivalries within the ruling élite and from wider divisions rooted in tribalism. President Kenyatta, a member of the largest tribe, the Kikuyu, (21 per cent of the population) ruled his cabinet with a rod of iron and managed to keep these strains in check.

But under President Moi, a member of the small Kalenjin group, who won power with the backing of powerful Kikuyu elements, these tensions have emerged more into the open.

On taking office, President Moi, apparently seeking to extend his power base, made an initially successful rapprochement with Kenya's third largest people, the Luo (13 per cent of the population) and their leader, ex-Vice-President Mr Oginga Odinga, who had fallen out of favour during the Kenyatta era.

The President's move was short lived, possibly because a Luo revival came to be seen as more of a threat than an assurance and because of evidence that Mr Odinga was still an ambitious man.

Mr Moi has looked elsewhere for support, trying to build a

coalition in which the Kalenjin occupy an increasing number of key posts, along with Kambari, Luhya and selected Luos and Kikuyus who are seen as loyal to the President.

The development has created growing concern among the Kikuyu, who still see themselves as Kenya's power brokers. But the Kikuyu themselves are divided—as shown by rivalry between two leading members of the tribe, Mr Njorjo and Mr Mwai Kibaki, Vice-President and Minister for Home Affairs.

The rivalry between the two—both of whom gave strong support to Mr Moi when he took over the Presidency—stemmed more from personality and ambition than ideology.

Mr Kibaki is an urban former Finance Minister who is once again playing a part in economic policy-making. Mr Njorjo, who was Attorney-General under President Kenyatta, is strongly pro-Western and is invariably attired in a three-piece suit decorated with a carnation buttonhole.

The two are expected to fight for the post of vice-president. The incumbent is in effect President Moi's heir apparent when elections for the post are held by the country's sole political party, the Kenya African National Union (Kanu).

Just when the elections for vice-president will be held is another matter. They last took place in 1978 and should have been held every two years. One reason they have not gone to

the heart of Kenyan politics: as intense is the lobbying for various offices that President Moi cannot be certain that the new slate will adequately reflect his personal preferences. The Kanu party elections may now not be held until after the parliamentary poll. This is because that Mr Njorjo, who unlike Mr Kibaki will have had to battle to retain his seat, could be without a base from which to wage his vice presidential campaign.

This may be part of Mr Moi's strategy. He may also hope that the usual high turnover of M.P.s in Kenyan elections (around half have lost their seats in past polls) will mean that ministers whose loyalty is suspect or who have shown themselves corrupt, will have been removed in a relatively painless fashion.

His task over the coming months will not be made easier by the austerity measures adopted to comply with the terms of the SDR 175.55m (1975) 18-month International Monetary Fund (IMF) programme.

The support is necessary because of large balance-of-payments deficits over the past five years, caused by falling export receipts and higher prices for imported oil. The IMF has imposed conditions with which governments throughout Africa have become all too familiar: strict limits on government spending and domestic borrowing.

Tight control might encourage the IMF, but for the man in the street it means that daily life is that much harder, with mounting redundancies and falling standards of living.

The per capita incomes of the country's 17m people have

already declined for four consecutive years.

One danger for President Moi in calling the election at the end of September is that tight controls on the economy needs will slip as ministers devote their time to campaigning.

And should further austerity measures be needed, there may be a reluctance in cabinet to implement them and risk electoral repercussions.

For outsiders such as the bankers who visited Nairobi last week, the tendency will be to sound judgment and avoid new commitments—until Mr Moi has emerged from the poll and President Moi selects his new team.

International Debt

Why we need a long-term plan of action

By Karl Brunner

THE "debt bomb" is still ticking. Fears persist that the international debt crisis may explode the banking system and plunge the world into deep depression. These fears lay behind the improvisations now not held until after the parliamentary poll. This is because that Mr Njorjo, who unlike Mr Kibaki will have had to battle to retain his seat, could be without a base from which to wage his vice presidential campaign.

These improvements were hardly avoidable at the time, but they now need to be disciplined by an explicit and careful attention to long-term requirements and consequences. Some of their strands are a useful and responsible approach to the problem, but improvements have their own momentum and can easily slip from major groups of policy-makers.

Additional credit extension should be reduced as the prospects rise that a country's problems are permanent. Creditor banks would be, under these circumstances, induced to

It is most urgent that policy-makers look beyond their improvisations

carry out a diligent evaluation of risks and a careful monitoring of changing conditions.

The crucial aspect of the insolvency problem involves, however, the credits affected by comparatively permanent or temporary, or formal moratoria or defaults. Creditors will have to acknowledge a loss of wealth under the circumstances. Such losses are probably distributed over a wide range between zero per cent and 100 per cent of face value with great variations among creditors and debtors.

No bank confronted with substantial losses need be closed. It should continue as an operating unit and put itself into a position to generate earnings in the future. A good portion of these earnings should be used to write off gradually, over time, the losses experienced.

One may object that there is no alternative to inflation and bail out in order to protect the financial system in the absence of a run on the banks involved. Insolvency could still unleash dramatic liquidity problems for many banks.

In order to prevent this occur-

rence or to control it rapidly and effectively when it occurs, we rely on the second component—or pillar—of the safety net, the lender of last resort. Whenever a bank experiences massive and concentrated withdrawals of shortest-term deposits, the Central Bank is obliged to advance the required funds. This will prevent the feared deflationary collapse. Inflation, on the other hand, can also be avoided.

A run converting deposits into currency would not change the money stock with the action indicated. A run expressed by a redistribution of deposits among banks would require open market sales offsetting partly the advances made to the banks "under attack."

Finally, the advances could actually be replaced by direct or indirect Central Bank purchases of assets from troubled banks. These acquisitions may contain a representative portion of assets with lowered values.

The Central Bank pays, under this particular procedure, the "full price" to the banks and sells the assets acquired, on the other hand, at whatever price the market will bear. It adjusts, moreover, its portfolio to maintain the balance between deflation and inflation with suitable open-market operations.

The crucial aspect of the insolvency problem involves, however, the credits affected by comparatively permanent or temporary, or formal moratoria or defaults. Creditors will have to acknowledge a loss of wealth under the circumstances. Such losses are probably distributed over a wide range between zero per cent and 100 per cent of face value with great variations among creditors and debtors.

No bank confronted with substantial losses need be closed. It should continue as an operating unit and put itself into a position to generate earnings in the future. A good portion of these earnings should be used to write off gradually, over time, the losses experienced.

This treatment of the insolvency problem poses no danger to the financial system in the absence of a run on the banks involved. Insolvency could still unleash dramatic liquidity problems for many banks.

In order to prevent this occur-

Letters to the Editor

The chemical industry and the phoenix factor

From the Director General of Chemical Industries Association

Sir—While Carla Rapoport's piece (May 16) fairly faithfully reflects the contents of the yet-to-be-published "chemicals" Little Noddy assessment of the next decade the sub-editor's headlines fail to capture the optimistic elements that lay hidden in the ashes of this industry's last three disastrous years.

Admittedly the report tries to identify what may happen to the British chemical industry if we simply let present problems take charge of our destinies. But fortunately in an industry of innovation a large measure of control of our future lies in our own hands.

Few people now expect a return to the twice GDP annual growth that characterised our 1960s and 1970s; few believe that we can again rely on "the economies of scale" to accelerate ourselves out of a tight commercial corner.

But fewer in this industry are prepared to regard an analysis of the problems facing us as necessarily adding up to the deterministic inevitability of decline and decay.

Unlike traditional one-product group industries (steel, cars, ships, horseboxes, etc) this industry is fortunate in being based on the ultimate in manufacturing—flexibility—the ability to use chemical reactions to change inexpensive and abundant raw materials into useful and valuable end products. And as one raw material becomes scarce it is possible, given time and re-

search, to change the process to use one in more plentiful supply. As the market for one group of products matures and declines we can develop new molecules or admixtures for growing needs in new markets.

This characteristic of innovation and flexibility of chemical transformation was at the foundation of our industry's rise. Despite present problems and difficult decade ahead it can, given skill, originality and determination, be the foundation of our industry's renaissance in the years ahead.

So please don't write us off yet—our future performance may surprise you.

Martin E. Trowbridge,
Abercrombie House,
93 Albert Embankment, SE1.

From the Secretary, Chemical Industries Council

Sir—Until 1978 it was widely assumed that the UK chemical industries would be the catalyst for economic and industrial expansion, and the advanced provider of resources and the opportunity of developing in our downstream industries such as plastic. This has not happened.

Instead over 90,000 jobs have disappeared; 35 per cent of our petrochemical capacity has closed (compared with 15 per cent in the rest of Europe); UK-based chemical firms placed 53 per cent of their investment overseas due mainly to the lifting of exchange controls; the much-needed North Sea gas pipeline was sabotaged when

in with profit endowments or self-employed pension schemes, with no formal guarantee. In contrast, the old without-profits policy offers a "guarantee"—and is virtually unsaleable today.

It is easy enough to "guarantee" peanuts. That is what most company pension schemes do, and that is why they do it.

A. M. Macintosh,
58, Prince of Wales Mansions,
SW1.

Easy to guarantee peanuts

From Mr A. Macintosh

Sir—All that a deferred pension "guarantees" is poverty: a sum of money which may be certain, but whose future buying power is completely uncertain, though it will quite certainly represent a highly negative real rate of return on the contributions invested.

The same sum put into a normal pension policy promises no fixed return, true enough; but it does promise at least a fair chance that the return will be, in real terms, positive.

Your reporters (May 14) rightly say that financially sophisticated people would prefer this. But what evidence have they for thinking that others would not? Millions of pounds are invested every year

Encourage the black economy

From Mr P. Cox-Smith

Sir—Do not be taken in by Party political promises of dramatic reductions in unemployment. The old parties, the capitalist right, Marxist left and after-dinner mint party of the centre, have all recommended "growth" as the creator of new jobs. But the Western world has sustained rapid growth for over a century and now has rising unemployment on a massive scale. Further growth will only aggravate the situation.

Stimulation of growth by investment in the private sector will result in new ventures based on the latest information technology techniques in both manufacturing and services. Competition will drive out of business the older firms not using the cheap technology; so the unemployment spiral will take another turn.

Expansion of public services is recommended by some, but ill-conceived plans and inappropriate priorities will doom them to failure. For example, the Alliance has promised to spend £300m on the health service to create 100,000 jobs in two years. That works out at 22.50 per person per year and must include extra costs such as building, taxes and capital investment.

Our brothers and sisters out of work have every reason to despair at the prospect of more Thatcher Foot Steelism and indeed we all should despair. But from despair hope may spring. Our hope lies in a unified taxation and social wage system, job sharing, community-based co-operative businesses and the encouragement of what is now regarded as the black economy but which should become the green economy.

Peter Cox-Smith,
50, Exton Avenue, Bletchley,
Milton Keynes, Bucks.

The polls can shift

From the Chairman, Market and Opinion Research International

Sir—Re: "The polls can shift" (May 17). So they can, but in 1979, the first 15 days of the election (research services aside) all said Tories 45 plus or minus 2 per cent, Labour 40 plus or minus 2 per cent, despite reported wide fluctuations in the gap between them. It would be better to report to your readers the share for each poll and focus your analysis on that rather than to focus on the gap between them.

P. A. Kremer,
The Consensus, Teddington, Middlesex.

Smoke without a fire

From the Marketing Services Director, Lester Group of Companies

Sir—Mr G. C. Towler (May 13) states that Battison's station has reached the end of its useful life. While this is true of "A" station, which has

New city offices

£7.00 a foot

The city is Peterborough. Fifty minutes from King's Cross. The offices are in Midgate House, a superb new building overlooking the cathedral.

The cost is all-inclusive. Rent, rates and service charge!

The last 10,000 sq ft is available now.

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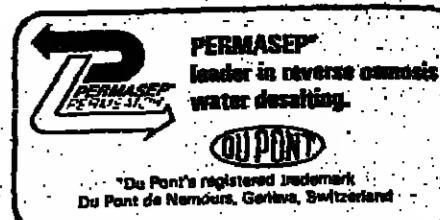
Ring John Case on Freefone 4321.

It must be the Peterborough Effect



FINANCIAL TIMES

Thursday May 19 1983



DuPont de Nemours, Geneva, Switzerland

IMPROVEMENT UNLIKELY TO BE MAINTAINED, CHIEF EXECUTIVE SAYS

Deutsche Bank lifts profits 19%

BY JOHN DAVIES IN FRANKFURT

DEUTSCHE BANK, West Germany's largest commercial bank, has reported a further strong increase in its operating profits in the first quarter of this year, but believes the trend will slow down soon.

Dr Wilhelm Christians, one of the two joint chief executives, said that operating profit, including earnings from the bank's own trading, was up 19 per cent compared with the average quarterly result of last year.

As German banking improved generally, Deutsche Bank last year boosted the parent bank's operating profits by 33 per cent and the group's operating profits by 30 per cent.

The bank, however, has been

warning against expectation of similar growth this year. Dr Christians told the shareholders' meeting in Hamburg yesterday that business in the last few weeks indicated that the operating profits for the whole year would not continue at the high level of the first quarter.

He said the first-quarter improvement was particularly helped by the bank's trading on its own account, but dealings in fixed-interest bonds had declined in recent weeks as interest rates flattened out.

Deutsche Bank's credit volume declined during the first three months of this year. Compared with the end of 1982, credit volume was DM 2.5bn lower at DM 67.4bn (\$17.58bn).

Dutch coalition split over N-weapons

By Walter Ellis in Amsterdam

FUNDAMENTAL DIFFERENCES over nuclear weapons have prevented the Dutch coalition Government from completing its scheduled defence policy for 1983.

A substantial section of the Christian Democrats, led by Mr Job de Ruiter, Defence Minister, favours a strict limitation of the Netherlands' role in the nuclear weapons field. The rest of the party, plus their Liberal partners, insist that the strategy must remain as previously agreed with NATO.

Mr Hans van den Brook, Foreign Minister and a Christian Democrat colleague of Mr de Ruiter, is understood to have said that any attempt at restriction now would only serve to undermine Dutch credibility with its alliance partners.

This credibility is already strained by the continuing refusal of Mr Ruud Lubbers, the Christian Democratic Prime Minister, to agree to the deployment in Holland of 48 U.S. cruise missiles as part of NATO's strategy of establishing a European counter to Soviet SS 20s.

Mr de Ruiter and his backers claim to have the support of a majority in parliament for their stand. The opposition Labour Party could be expected to vote all the way in favour of nuclear withdrawal.

In cabinet there would still be a majority of more than three to one in favour of "keeping faith" with the alliance, but a defeat in parliament could place the future of the Government in jeopardy.

A variety of U.S. theatre nuclear weapons is kept in the Netherlands under guard by the Dutch armed forces. These include nuclear shells, nuclear mines and certain categories of short-range missiles. It has been NATO policy that these would be fitted to Dutch delivery systems in the event of East-West hostilities.

Mr de Ruiter wants the categories of such systems to be reduced to two: Lance cannon and F-16 warplanes. He is also believed to be opposed to cruise deployment and has thus emerged as the focal point of internal government dissent on the nuclear question.

Guidelines on the country's defence strategy were to have been completed this week in time for the next meeting in Brussels of NATO Defence Ministers, but there will now have to be further discussions

Acceptance credits limit

Continued from Page 1

ding more aggressively in the acceptance market. The Bank has asked some of these banks either to do less acceptance business or to build up other sterling banking business so as to achieve a more balanced portfolio.

There has been concern that some banks, particularly the Japanese, are using the acceptance market as the easiest means of entry into sterling banking business and are undercutting the market with low commissions.

World Weather

Country	Temp	Wind	Condition	Country	Temp	Wind	Condition	Country	Temp	Wind	Condition	
Africa	20	60	Cloudy	24	75	Cloudy	24	75	Sabah	17	52	Cloudy
America	24	75	Fair	25	80	Cloudy	25	77	Sabah	17	52	Cloudy
Asia	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
Australia	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
Europe	25	77	Fair	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
Japan	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South Africa	32	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South Korea	32	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South America	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South Africa	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South Korea	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
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South Korea	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South America	25	80	Cloudy	25	80	Cloudy	25	80	Sabah	17	52	Cloudy
South Africa	25	80	Cloudy	25	80	Cloudy	25</td					

On stream On time
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SECTION II - INTERNATIONAL COMPANIES

FINANCIAL TIMES

Thursday May 19 1983

SRD
STROUD RILEY DRUMMOND GROUP
The Symbol for Fabrics
Ask for Freedom Suitings

Hewlett up 16% after rise in orders

By Paul Taylor in New York

HEWLETT-PACKARD, the U.S. electronics group, yesterday reported a 16 per cent increase in second-quarter net earnings to \$109m. Sales rose 13 per cent to \$1.172bn.

The company also reported sharply higher U.S. domestic orders in the quarter ending on April 30. Mr John Young, the group's president and chief executive, said: "It may still be too early to call this a recovery, but we are very encouraged."

The strong second-quarter earnings, equivalent to 86 cents a share, compare with net earnings of \$94m, or 76 cents a share, on sales of \$1.039bn in the corresponding period last year.

For the first half-year, Hewlett-Packard reported net earnings of \$1.94m, or \$1.53 a share, on sales of \$2.277bn, compared with net earnings of \$1.61m, or \$1.35, on sales of \$1.975bn in the same period last year.

Orders received in the latest quarter totalled \$1.299bn, an increase of 16 per cent over the second quarter last year when orders were worth \$1.085bn. Domestic orders increased by 25 per cent to \$715m, while international orders increased by a much more modest 2 per cent to \$524m.

"Domestic orders grew progressively stronger during March and April," Mr Young said. He added, however, that international orders remained sluggish. "We have seen little improvement in major markets outside the U.S.," he said. "Europe is especially weak, with order levels for the quarter essentially flat compared with a year ago."

However, the company said that all four of its business segments showed second-quarter increases in orders over the 1982 period. The computer products segment was up by 15 per cent and sales increased by 17 per cent to \$608m.

VAUXHALL AND OPEL TAKE 11% OF MARKET IN FIRST QUARTER OF 1983

Corsa helps GM forge ahead in Europe

By KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN LONDON

GENERAL MOTORS' share of the Western European car market reached a record 11.1 per cent in the first quarter of 1983, emphasising the fundamental change in the balance of power between the major groups since GM began production at its new Spanish plant.

At the same stage last year GM, with its Opel and Vauxhall cars, had achieved 9.6 per cent of total European sales; the previous peak was 10.4 per cent for the second quarter of 1976.

GM's push this year has brought the market share in Europe much closer together. So far in 1983 the French companies, Renault and Peugeot-Citroen-Talbot, have lost most through a combination of a relatively depressed home market and output being held back by industrial disputes.

The key element in GM's success is its new small "S" car, sold in continental Europe as the Opel Corsa and in Britain as the Vauxhall Nova and produced at the factory near Zaragoza.

Mr John Grettenberger, Opel's director of sales, says: "The Corsa will provide the locomotive for Opel's push into southern Europe - and

the southern markets offer the major growth potential in Europe because of their substantial small-car demand. The Corsa will provide two-thirds of our total sales in Spain, and a third each in France and Italy."

In the first quarter of this year, before the "S" car went on sale in Britain, the Corsa accounted for 9.23 per cent of Opel-Vauxhall registrations totalling 312,357.

The GM companies are therefore well on target to reach 1.1m car sales this year and to take more than 11 per cent of the European market, which covers 16 countries. This should include 453,004 registrations in West Germany and a 16.4 per cent share of the market there.

Largely because of the Corsa, Opel's market share has improved in the first quarter from 2.3 to 3.2 per cent in Italy, from 2.2 to 3.9 per cent in France and from 1.9 to 3.4 per cent in Spain.

Opel has been carefully adding to its dealer networks in the "target" countries. In France, the network has been expanded from 194 dealers at the end of 1980 to 245, in Italy from 190 to 201 and in Spain from

190 to more than 100 at the moment and 150 by the end of the year.

Mr Grettenberger maintains: "All over Europe dealer development is one of the key elements in our marketing approach. We are placing strong emphasis on improving the retail productivity."

As part of this process, Opel will have installed 800 computers or terminals in its dealers' premises by the end of 1983. "In a year or so dealers accounting for 80 per cent of our volume will be covered by the system," Mr Grettenberger says.

Apart from helping dealers locate cars and speeding up the ordering of parts, the computer network can be used to channel information - such as a rival group's latest marketing ploy - quickly to the dealers.

In Spain, where Opel had never sold a car until 1981, the Corsa is expected to push the group's market share to 10 per cent this year. This involves the sale of about 60,000 cars compared with 18,000, a 3.5 per cent share in 1982. Of the total, 40,000 to 50,000 will be Spanish-built and the rest imported from Germany. Opel has already raced

past Ford as the biggest importer of cars to Spain.

Even its rivals think Opel can win and hold a 14 per cent market share in Spain. Cars are already emerging from the Zaragoza plant at well over 1,000 a day (the eventual target is 1,200 a day) and the local content, measured by ex-factory value is 52

per cent against the agreed minimum of 50 per cent. Engines and transmissions for the Corsa are imported from GM's new plant in Austria and account for about 25 per cent of the value, so the level of local content cannot be pushed up much more.

While nearly everything seems to be going to plan for GM in Europe at the moment, there is no escaping that the group made a major miscalculation when preparing the ground for its sales push.

Back in 1978, when the \$2.4bn investment in the "S" car was approved, GM expected that Spain would be member of the EEC by the time the Zaragoza plant began production.

It also estimated that the Spanish new car market would reach 1m by the mid-1980s, whereas in fact only about 600,000 cars a year will be sold for the next few years.

This means that exports will be more important than ever to the financial success of the "S" car - and profits are more difficult to make in export markets, particularly in the highly competitive small car sector where the European companies are deeply entrenched.

Baldwin chief replaced

By OUR FINANCIAL STAFF

BALDWIN-UNITED, the troubled U.S. financial services group, has deposed Mr Morley P. Thompson, president and chief executive officer, and brought in a management company to fill key positions.

Mr Thompson was largely responsible for transforming Baldwin-United from a Cincinnati piano manufacturer into a diversified company with interests ranging from musical instruments to life insurance.

At the end of last month Mr Thompson took leave of absence to obtain additional funds for the company, but yesterday Baldwin-Unit-

ed said he was no longer an officer or employee.

He has been replaced by Mr Victor M. Palmieri, director of a management company bearing his name. Palmieri will supply the services of other executives. Mr Peter A. Maroscia Jr, a senior Palmieri vice-president will be Baldwin-United's executive vice-president and chief executive officer, a new post.

The company refused to say whether hiring a management company and replacing top officials was a condition of future outside financing.

Groupe Bruxelles Lambert poised for third rights issue

By PAUL CHEESERIGHT IN BRUSSELS

GROUPE Bruxelles Lambert, one of the major Belgian holding companies, is likely to go to the markets before the end of this year for its third equity capital increase in less than two years.

Baron Lambert, the president, told shareholders at the annual meeting in Brussels that if the group wanted to take advantage of current laws favouring the raising of new capital, action would be necessary before the end of the year. Nothing had been decided yet, he added.

GBL is thus roughly in the same position as Societe Generale de Belgique, the largest Belgian finance group, which is also poised to enter the capital markets.

If GBL does decide to go ahead this year, the raising of extra capital will be a further step along the road which started when Mr Albert Frere put together an international consortium to buy into GBL in March 1982.

Since that infusion of capital through the issue of new shares to

TIME-LIFE OVERSEAS FINANCE CORPORATION N.V.

Notice to the holders of 10 1/2% Notes due January 26, 1990 of Time-Life Overseas Finance Corporation N.V.

The Annual Report to Shareholders of Time Incorporated, the Guarantor of the 10 1/2% Notes and the parent company of Time-Life Overseas Finance Corporation N.V., may be obtained at the office of Chemical Bank, 180 Strand, London WC2, the Fiscal Agent for the 10 1/2% Notes.

All these securities having been sold, this announcement appears as a matter of record only.

April 1983

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DE MATERIEL FERROVIAIRE

20,000,000,000 Japanese Yen
8.1% Bonds Due 1993 - Fourth Series (1983)

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Daiwa Securities Co. The Nomura Securities Co., Yamaichi Securities Company, Limited

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The Toko Securities Co., Ltd.

Toyo Securities Co., Ltd.

Vickers da Costa Ltd.

The Chiyoda Securities Co., Ltd.

The Kaisei Securities Co., Ltd.

Taihoku Securities Co., Ltd.

Ichiyoshi Securities Co., Ltd.

The Izumi Securities Co., Ltd.

Kosei Securities Co., Ltd.

Maruman Securities Co., Ltd.

Meiko Securities Co., Ltd.

Mito Securities Co., Ltd.

National Securities Co., Ltd.

Nichiei Securities Co., Ltd.

Towa Securities Co., Ltd.

Naigai Securities Co., Ltd.

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Swiss Bank Corporation International Limited

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We are pleased to announce that

George D.F. Lamborn
President
Chief Executive Officer
Chairman of the Executive Committee

has joined
ACLI International Commodity Services

ACLI
International
A Donaldson, Lufkin & Jenrette Company

Kredietbank
KREDIETBANK of Belgium is putting aside BFr 5.65bn for depreciation in 1982, against BFr 4.25bn in 1981. The 1981 figure was wrongly stated yesterday as BFr 1.2bn.

INTL. COMPANIES & FINANCE

This announcement appears as a matter of record only.

April 21, 1983



U.S. \$570,000,000

United States Lines, Inc.

a subsidiary of

MCLEAN SECURITIES, INC.

has completed arrangements
for the acquisition of
twelve Container Ships to be
constructed by Daewoo Shipbuilding & Heavy Industries, Ltd.

Principal financing provided by:

CITIBANK



U.S. \$303,000,000

Standby Letter of Credit Facility

Managed by:

Bank of America NT & SA
Citibank, N.A.

Provided by:

Bank of America NT & SA
Citibank, N.A.
Chemical Bank
Bankers Trust Company
Continental Illinois National Bank
and Trust Company of Chicago
Marine Midland Bank, N.A.
Security Pacific National Bank



General Electric Credit

U.S. \$114,000,000

Twelve Year Floating Rate Notes

to be funded by

General Electric Credit Corporation
andThe Prudential Insurance Company
of America

Financial Advisor:

The First Boston Corporation

Bankruptcy fears recede as Dome tops stock market trading lists

BY NICHOLAS HIRST IN TORONTO

SHARES IN Dome Petroleum, the Canadian oil and gas giant wrestling with finance problems, have been changing hands faster than the company pumps oil out of its wells. Last week saw Dome shares topping the most active list on both the American Stock Exchange in New York and on the Toronto market. From a low for the year of C\$3.10, the shares have lately touched a high of C\$6.5.

The active trading and increase in price reflects improvement in Dome's financial position and a growing belief that the C\$1bn (U.S.\$800m) rescue plan agreed in principle last September with its four main Canadian lenders and the Canadian Federal Government can be modified to give shareholders a far better deal than seemed possible when it was arranged.

"It would seem substantially to improve everybody's room for manoeuvre," says Brian Moore, an oil analyst with B. F. Fry, the Toronto stockbrokers. Dome ran into trouble on the back of the Federal Government's National Energy Programme. Announced in October 1980, the NEP was designed to increase Canadian ownership of the domestic oil and gas industry by discriminating against foreign-owned companies.

Promoted by the NEP, Dome paid C\$4bn in a debt-financed two-stage acquisition of Hodson's Bay Oil and Gas Company, but later fell away, as doubts arose over its capacity to finance the deal. C\$1bn (U.S.\$815m) rescue package involving major banks and Canada's Federal Government shouldered the company, but there has been continuing debate over who in the rescue does what. Meanwhile, the stock markets have taken a better view of Dome's prospects. For some days, the stock has been topping the "most active" trading lists, and last week touched a peak for the year ahead of Tuesday's announcement of a first-quarter C\$7.2m profit, compared with a loss of C\$21.6m a year earlier. Recent movements have seen it swing from C\$4.5 to C\$5 and then up again.

But in agreeing a rescue package, the four Canadian banks and the Government took effective control of the company. Each agreed to subscribe for C\$500m of convertible debentures. Private shareholders could subscribe for a further C\$500m. Long-term debt was to be rescheduled over a period of at least 10 years. For the first 18 months the conversion price on the debentures was to be C\$2.50.

That conversion rate threatened massive dilution of the 260m shares currently in issue. The banks and the Government also took the right to approve board appointments to capital and operating spending and "other material matters."

At the same time, a consortium of U.S. banks led by Citibank of New York, with U.S.-based loans outstanding to Dome was asked to acquire C\$500m of debt held by the four Canadian banks. The Canadian banks' view was that if they were prepared to pump new money into Dome to increase the company's chances of survival, the U.S. banks should be prepared to increase their own risk. That, they have resolutely refused to do.

Meanwhile, Dome has been searching for alternatives which would avoid it taking all or part of the rescue money from the banks and the Federal Government.

Since September, the Cana-

far less than under the Government scheme and would enable the company to push for much greater independence.

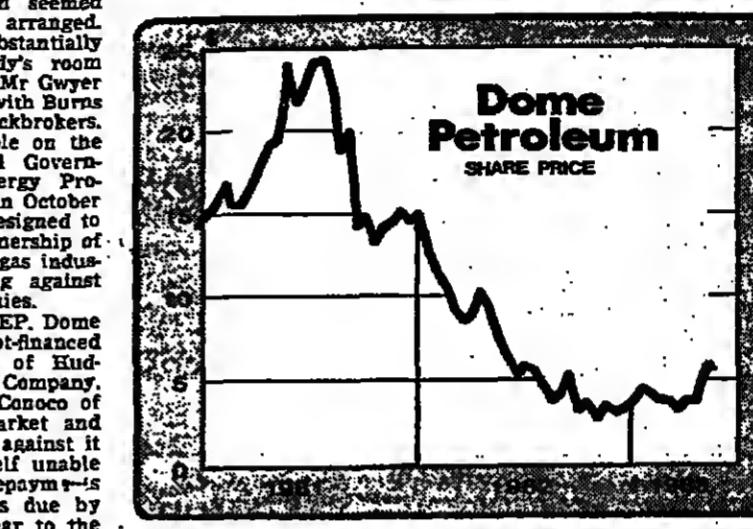
The Canadian banks, however, are far from convinced that the company can avoid taking the rescue package money. An injection of C\$700m would still leave the company financially stretched. Shareholders' equity, including preference shares amounting to C\$100m, but C\$1 was only C\$641m, backing a balance sheet total of C\$8.5bn.

Dome's financial problems last year greatly reduced its ability both to explore and to develop wells. The number of development wells in which it had an interest dropped from 1,167 to 888 and its percentage interest in wells drilled dropped too. The fewer development wells Dome drills, the less its future cashflow will be. The Government's interest has been in supporting Dome as a fully fledged exploration and operating company, but its capital spending this year at around C\$275m is going to be sharply down on the depressed levels of C\$420m it spent last year. Along with Gulf Canada, Dome has been the main exploration company in the Beaufort Sea, and is involved in about one out of every five conventional wells drilled in Canada.

Before the Government allows a private sector solution, it will need to be convinced Dome has sufficient cash to meet its commitments in the frontier lands. The banks will need to be convinced that the company will have enough cash to maximise its future cashflow. One idea being floated is that Dome could take most of the rescue package money but retain an option to refinance it before conversion could be exercised.

As it is, nothing is likely to be decided before Dome (listening carefully to the wishes of the banks and the Government) has chosen a new chief executive. Mr Jack Gallagher, one of the company's founders, has stepped down as chief executive and the company is now being run by an interim committee headed by Mr Frederick W. Sellers, the former chairman of the Canada Development Corporation. The committee is also charged with finding a successor to Mr Gallagher.

Meanwhile, Dome's financial position has improved sufficiently for the company to regard bankruptcy as unthinkable. At the same time, the rise in the stock market and its ability to sell assets at more than knock-down prices has reduced the Canadian banks' concern to persuade the U.S. banks to take on more of Dome's debt. Dome expects a rescue package will be proposed to shareholders some time in the second half of the year. It continues to pay interest on its debt, and repayments are being defered on a month-by-month basis.



Dome Petroleum's share price soared in the early summer of 1981 as a result of its efforts to buy Hodson's Bay Oil and Gas Company, but later fell away, as doubts arose over its capacity to finance the deal. C\$1bn (U.S.\$815m) rescue package involving major banks and Canada's Federal Government shouldered the company, but there has been continuing debate over who in the rescue does what. Meanwhile, the stock markets have taken a better view of Dome's prospects. For some days, the stock has been topping the "most active" trading lists, and last week touched a peak for the year ahead of Tuesday's announcement of a first-quarter C\$7.2m profit, compared with a loss of C\$21.6m a year earlier. Recent movements have seen it swing from C\$4.5 to C\$5 and then up again.

dian prime rate has come down four points to 11 per cent, sharply reducing interest charges on Dome's long-term debt to around C\$6.5bn. The company's net loss for 1982 was C\$369.3m, but that included capital losses on the sale of assets and write-downs totalling C\$314m.

For the year as a whole, the company had a cash outflow after interest charges of C\$1bn, but in the second half there was a positive cash inflow of C\$59m. The company has pared back costs. Salaries have been cut by 10 per cent, benefits trimmed and head office staff reduced by 22 per cent. Margins on natural gas liquids have

Dome still cannot avoid a restructuring of its debt. More than C\$2.5bn of repayments will have fallen due by the end of the year. Analysts argue, however, that with a restructuring and a capital injection of around C\$700m, Dome would be able to pay for its capital spending and begin to make significant debt repayments before three years time.

A scheme for Dome to raise C\$700m through an issue of preference shares is understood to have been prepared by the New York investment house, Lehman Brothers Kuhn Loeb. If a price could be fixed close to the present value of Dome's shares, the dilution would be

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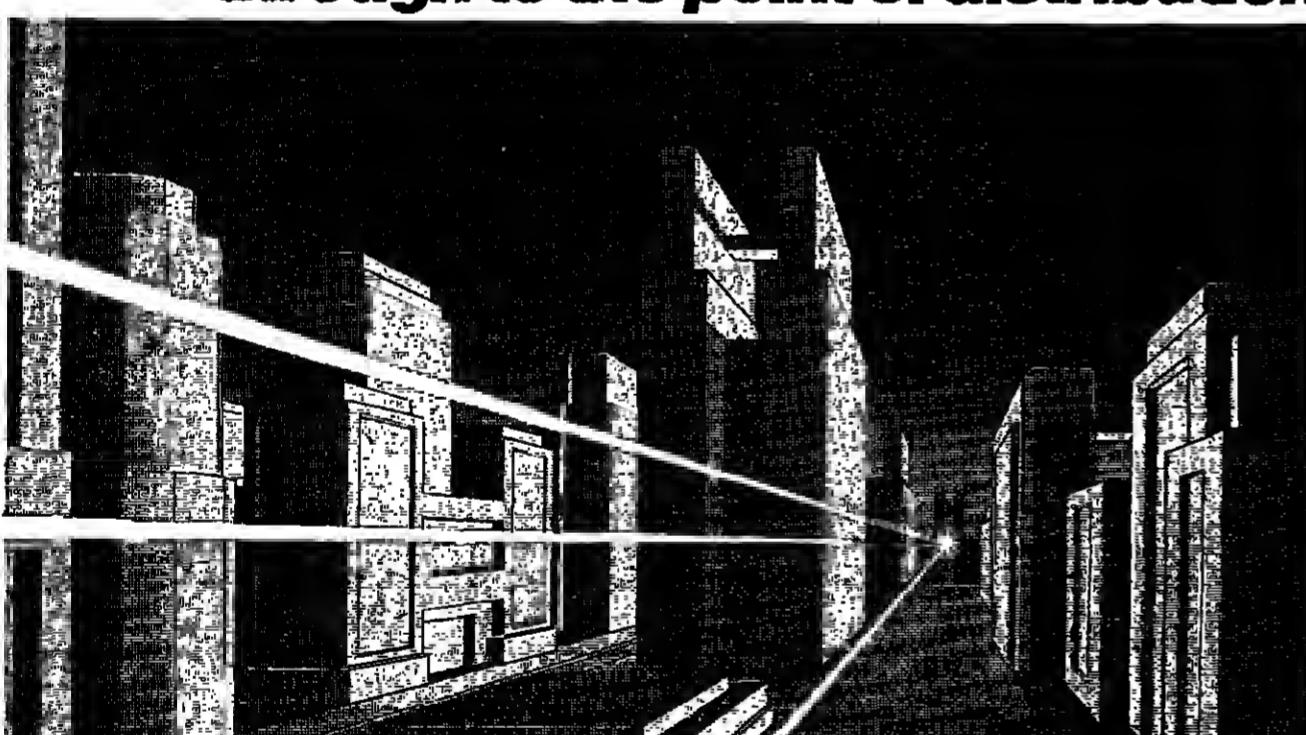
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INTL. COMPANIES & FINANCE

Japanese brokers win loans battle

BY YOKO SHIBATA IN TOKYO

JAPANESE securities houses are to be allowed to make loans to private individuals who can provide government bonds as collateral from June 1, according to Ministry of Finance officials. A formal decision to this effect will be communicated to both securities houses and banks today.

The introduction of this scheme, seen as the penetration of securities houses into what was formerly banking business, has been long delayed by bitter opposition from the country's banks.

Under the ministry's proposal the securities houses will be able to make loans up to a limit of Y5m (\$21,460) to a single borrower against the collateral of the government bonds, government guaranteed bonds and local bonds. The value of the collateral security is set at 90 per cent of the listed price of the bonds.

The ministry, however, is to restrict such lending to loans on deeds and notes, excluding

loans under agreements — for example overdraft facilities. This restriction is aimed at mollifying continuing bank opposition to the scheme.

However, the ministry has promised to review the position on loans "under agreement" by June 1984. As a result the scheme planned by the securities houses to introduce the "sogo kosa" (composite account), an ordinary deposit account combined with government bonds, is to be postponed until next year.

The ministry has previously strictly confined the business of banks to "stock" of the capital and those securities houses to the "flow" of capital. However, of late it has increasingly blurred the boundary lines between these two financial sectors, in an attempt to introduce the third phase of its financial liberalisation measures aimed at meeting the demands of the electronic revolution and encouraging the smooth absorption of Y100,000bn worth of government bonds.

The ministry, however, is to restrict such lending to loans on deeds and notes, excluding

Since increasing large issues of government bonds are inevitable over the next few years to cover Japan's huge fiscal deficits, the Government has to work out the scheme so as to boost government bond sales, so even encouraging the battle between the securities houses and banks by removing the existing demarcations between them.

In the long running battle the banks had an early victory over securities houses by getting authorisation to sell government bonds over-the-counter as from April. Over-the-counter sales of the medium-term government bonds as well as dealing in government bonds on the secondary market are to be allowed from October this year.

The next step for the banks is to create the sogo kosa accounts, similar to the financial instrument planned by the securities houses, which will provide customers with funds up to a set proportion of the amount of government

bonds held. Finally, the banks are hoping to get into the investment trust business.

To counter this the securities houses have been calling upon the ministry to allow them to make government bond secured loans, asserting that they and the banks should provide services to customers on an equal footing.

The security houses' plan to establish composite accounts is a nightmare for the banks, which claim that the introduction of the loan scheme would lead to the establishment of a money market instrument combining medium-term government bonds with cash and credit cards.

The banks have recently seen a large shift in personal deposits away from bank accounts to the securities houses' investment trust funds, with a particular increase in the medium-term government bond funds, with their high yields. The net assets of investment trust funds in Japan totalled Y10,000bn at the end of April.

Loss halved at Philippine Airlines

By Emma Tagaza in Manila

FOR THE first time in four years, Philippine Airlines made an operating profit last year from its transport operations, but costly interest charges kept the airline in the red.

Operating profits were 107m pesos (\$11m) compared with an operating loss of 145m pesos in 1981. Interest charges of 515m pesos offset the operating profits and resulted in a net loss of 234m pesos. This was an improvement over 1981's net loss of 595m pesos.

ACI International profits plunge

By LACHLAN DRUMMOND in SYDNEY

ACI INTERNATIONAL, the Australian diversified group, is dipping into reserves to maintain its annual dividend payment after a 37 per cent cut in net earnings from A\$63.9m to A\$20.9m in the year to March 31.

A major factor in the downturn was the jump in interest charges from A\$37.9m to A\$71.4m as the group financed its poorly timed entry into coal projects which are still to come on stream.

Its building products and automotive interests were the

most severely affected.

The company managed to stabilise its profits position in the second half, however, with the first six months contributing A\$10.7m. This was still well down on an already poor first half affected final period of 1981-82 when A\$27.2m was earned.

Sales for the year were 10.8 per cent ahead at A\$1.52bn and before tax the profit decline was a more modest 39 per cent to A\$57.3m after a depreciation provision of A\$88m compared with A\$65.7m.

The tax charge was A\$24m against A\$65m previously, while

minority interests took A\$12.7m compared with A\$19.4m.

The result excluded extraordinary credits which boosted the attributable profit to A\$43.4m, against A\$7.7m, short of the amount necessary to maintain the 15 cent a share dividend which will absorb A\$37.4m.

Of its international interests, ACI Asia's results were hit by devaluation in Indonesia and poor returns from its Singapore glass operations. In the US, results were "unsatisfactory" and there was only a minor contribution from Europe.

Earnings ahead by 27% at State Bank of India

By R. C. MURTHY in BOMBAY

STATE BANK of India, the country's largest commercial bank, lifted total income from domestic and foreign lending operations by 19.1 per cent to Rs 15.83bn (\$169m) in 1982 and profits by 26.7 per cent to Rs 190m.

Commercial banks were allowed by the Reserve Bank of India last year to charge high interest rates on their advances under the "Dear Money" policy. The maximum rate of interest was 19.4 per cent, the objective was to keep down credit expansion in the domestic sector and reduce inflationary pressure.

Rs 1.7bn expansion plan for Tata Engineering

By OUR BOMBAY CORRESPONDENT

TATA ENGINEERING and Locomotive Company (Talgo), which is part of the Tata group, is to launch a Rs 1.7bn (\$170m) expansion programme to raise commercial vehicle manufacturing capacity to around 87,000 units from the present 56,000.

Talgo, the country's largest car manufacturer, has secured the Government's permission to expand manufacturing facilities at Puna in the western state of Maharashtra in 35,520 vehicles a year from the present 11,160. Its other plant at Jamshedpur in the northern state of Bihar has a licensed capacity of 33,490

vehicles a year. Government regulations permit Indian companies to increase production by 25 per cent in excess of the licensed capacity, which in the case of Talgo will be 69,000 vehicles when the expansion is completed in three years.

The foreign exchange component of the Rs 1.7bn expansion is Rs 350m, mainly in the form of machine tools and equipment. Sales rose by 30 per cent to Rs 8.02bn in the year to March 1982. In 1982-83 the growth rate of the company slowed down because of a recession in the road transport industry.

All these securities having been sold, this announcement appears as a matter of record only.



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				High	Low
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HFL (Bearer Notes)	8.10	7.91	8.10	8.10	7.43
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TECHNOLOGY

EDITED BY ALAN CANE

THE MAN RESHAPING BRITAIN'S DEFENCE RESEARCH AND DEVELOPMENT

Radical but cost paring

BY DAVID FISHLOCK, SCIENCE EDITOR

WHILE THE politicians try to thrash out fresh international agreements to limit numbers of nuclear weapons, Britain is embarking upon the programme to develop its eighth and latest "nuke." It means a £300m investment in a single research centre.

The man with overall responsibility for Britain's biggest single research and development investment today—Colin Fielding—is a friendly physicist of 56, with a career devoted to the invention of weapons and its management, and a brief to reshape the nation's defence R and D.

The Gregson report on engineering R and D in Britain, from the House of Lords select committee on science and technology, said industry should stop compounding its defence war economy too big a slice of the national R and D effort. Rather, it should copy defence's example of how to conduct a successful international business backed by an adequate R and D effort.

Fielding's task is to make the defence R and D budget stretch further, by managing it more efficiently.

As controller for establishments and research at the Ministry of Defence, Fielding runs the largest R and D operation in Britain, staffed by about 20,000. This activity will spend nearly £2bn this year, partly in its own 12 research centres, but mostly in contracts with industry, universities and the like. Nuclear weapons represent about one-quarter of his empire.

During the 1980s, Fielding expects to spend about £300m on the reconstruction of Aldermaston's sprawling campus in Berkshire. Unlike his other 11 research establishments, this one also has a production role for the "sensitive" parts of the weapon—nuclear materials and their behaviour.

Aldermaston, planned in the late 1940s, has "begun to be crumby," he admits frankly. As its director until he was promoted to his present post last autumn, he knows the problems intimately. Aldermaston must be raised to a much higher level of operational safety and security from the activity of terrorists.

The investment includes refurbishment of many facil-

ties and rebuilding of those associated with plutonium processing and nuclear waste management.

Fielding's associations with defence science go back to post-war years spent at the (then) Royal Radar Establishment. He rose to become chief scientist to the Navy at the height of the £1bn Chevaline project, when arrived at Aldermaston as director in 1980.

In his new post, Fielding retains responsibility for nuclear weapon procurement. His former deputy, Peter Jones, Britain's foremost designer of nuclear warheads, is Aldermaston's new director.

The nuclear part of Fielding's ampre always has been—and will continue to be—tightly cocooned for security reasons, and has little export potential.

The other three-quarters is much more amenable to the overriding challenge he faces.

This is to get more return from the £2bn defence R and D budget, at a time when defence equipment is outstripping inflation and increasing faster in cost than government is willing to tolerate.

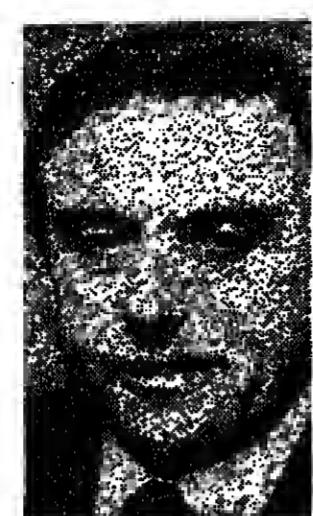
Complexity

The reason is explosive growth in complexity of weapon systems. The solution must be "to begin to think more radically." The place to start thinking must be R and D, he says. As scientists, our capability is second to none. Now we must get the same response as business men."

The crux of his problem is to sort out precisely what his research establishments should and should not be doing. They grew up in an era when British industry was far less technically competitive than today. With companies like Marconi Space and Defence Systems and Marconi Avionics built up into large, autonomous engineering groups operating right at the leading edge of defence science, there is much less need for the laboratories to do systems engineering.

Only industry itself can secure any substantial national benefit from "spin-off" from defence R and D. It is his job to see that everything industry can do is sub-contracted.

To move in this direction—"a strategy in which we are taking industry with us"—



Colin Fielding

Fielding believes both sides must make sacrifices. His research centres must shed much of their development and engineering, and build a stronger research base. But industry must be willing to "plug the gaps" in its resources at present in order to shoulder new responsibilities.

Probably the most glaring anomaly is in land systems, where the bulk of design and development is still done by the establishments. The Government has already made a crucial move. As a first step towards "privatisation" it has already set up a trading fund run by a new chief executive, to co-ordinate the activities of the Royal Ordnance Factories in tanks, guns, armour, explosives, etc. Since the ROFs themselves do no research, Fielding's empire is deeply embroiled in the problem of constructing an R and D arm for the new organisation.

The main R and D establishments involved are the Military Vehicles and Engineering Establishment, the Propellants Explosives and Rocket Motor Establishment, and the Royal Armament Research and Development Establishment. Fielding's goal is a single establishment pooling 5-10 per cent of his manpower. His plans to begin by isolating enclaves within the present laboratories, with its "centre of gravity,"

likely to be Ford Halstead, near Sevenoaks in Kent.

With the merger of management between the Royal Aircraft Establishment, Farnborough, and the nearby National Gas Turbine Establishment, a similar centre for air systems is already well advanced. Sea systems, however, may be harder to pool, completely because of the clear distinction between the resources required for surface ships and underwater warfare.

Areas of research activity are also coming under close scrutiny as he strives to shape new "centres of excellence" for the rapidly advancing sectors of defence science, such as night-fighting, electronic warfare and communications. Again, the boundaries between some established areas are already blurred, and may eventually disappear.

As Fielding sees it, his task may take three or four years to carry through, while it may take the rest of the 1980s to implement the strategy. "But if we don't have a strategy, we'll never get there."

Critical

Lord Rayner, now chairman of Marks and Spencer, in a critical defence study last year, showed that the major cuts certainly be made in the way defence scientists manage their research. Fielding says his report makes "good sense." It pinpoints the critical weakness in that government scientists are rarely required to bother about the cost of the resources at their disposal—computer time or use of range or wind tunnels, for instance. The key is to find some way of making middle research management accountable, as it is in industry.

So the Ministry of Defence is mounting an experiment upon itself; a kind of clinical trial of accountability. Programme managers at its Royal Signals and Radar Establishment, Malvern, are being asked to compete for new research programmes, to make bids based on real costs for up to 10 years ahead, and be charged with the full cost of the resources they say they need to do it.

The aim of the experiment will be to try to strike the right balance between accountability and highly motivated R and D.

"Engineering Research and Development" Vol 1, SO. \$6.10.

TRIBOLOGY

Knees need lubrication

By Raymond Snoddy

DR BILL ROBERTS' main responsibility is to administer the National Centre for Tribology, which specialises in the study of friction, lubrication and wear.

The self-supporting Centre, which is part of the UK Atomic Energy Authority at Risley in Cheshire, made a modest profit on a turnover of £1.3m last year.

But in recent years Dr Roberts could also be found from time to time in a back room of the operating theatre at Warrington District General Hospital as Mr Arthur Morris, senior orthopaedic surgeon fitted new knee joints to legs amputated from cadavers.

"This has taken up a awful lot of my spare time," says Dr Robert, a physician not afraid of getting his hands dirty with engineering.

Staff at the Tribology Centre have been working on the development of a new knee joint for about eight years after Mr Morris came and asked for help.

Mr Morris said he was hopeful that the joint would prove better than anything now available but it was too early to say until the clinical trials were complete.

Knee joints were much more complex than hip joints and not all the problems had yet been solved.

The first three versions were used only to make amputated limbs more mobile.

But the first six joints of the Mark 4 joint have been fitted to living people and are, Dr Roberts says, a success.

A medical manufacturer, C.F. Thackray of Leeds, has been licensed to produce the knee joint, which was developed at the Tribology Centre by Mr Poul White. The company has manufactured 200. Eight surgeons have already begun fitting them in a full-scale clinical trial which will be completed by next year.

Although there are many artificial knee joints on the market, Dr Roberts says the advantages of the Tribology Centre design include flexion through 165°, the ability to rotate as a normal knee does, and ease of insertion by the surgeon.

The Centre is also involved with Mr Leon Abrams, a consultant heart surgeon at the Queen Elizabeth Hospital, Birmingham, in the development of the Lucas-Abrams heart valve.



Mr Alan Walton, deputy manager of the National Centre for Tribology, demonstrates the knee-joint prosthesis developed at the NCT.

About one-third of the Tribology Centre's work involves the lubrication and wear in the nuclear industry and to the nuclear industry in general.

The rest is equally divided between space—particularly satellites—and industry generally. The Centre has a total staff of 40.

But, Dr Roberts is still pleased with the Centre's two medical projects. Apart from anything else they demonstrate that lubrication doesn't necessarily mean oil. In the case of the knee joint the lubrication comes from synovial fluid and with the heart valve—it's blood.

The range of tests includes the use of ultrasonic probes to test for defects in the steel used for fabricating, for example, the cooling water inlet/outlet nozzle of the proposed PWR.

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Peripherals
Mixing text and graphics

PERCEIVING THE growing need to mix text and graphics in computer printing applications, Diablo Systems Inc has brought out the Series 2000 Electronic Printing Machine operating at some 300 lines per minute—about six pages a minute of mixed text and graphics.

The printer uses a raster technique to give an image density of 1,680 dots per horizontal line on plain A4 and U.S. sized paper. It uses a thermal technique in combination with a low cost ink donor film, each roll of which can print up to 1,300 printed sheets. The machine has a 250 sheet feeder and an output stacker.

Since it uses non-impact methods, the unit can be programmed to generate an almost unlimited array of text and graphics characters or symbols. But many of the programs designed for Diablo's dot-matrix printers are available via software licence to users of the 200.

There is also a custom font design and graphics digitising service. More details in March in 014 49 8935 17083 (from the UK).

Terminals
Portable from Texas

A LIGHTWEIGHT battery powered portable terminal which can fit into half a briefcase has been announced by Texas Instruments. The model 709 is a development of the company's range of Silent 700 terminals which were introduced in the late 1980s. More details on 0346 77616.

PHARMACEUTICS AND COMPUTERS

Putting labels on the bottles

BY THE end of the year all pharmacists must use type-written labels for the drugs they dispense. John Richardson, a small independent chemist who runs a shop in Preston, got so fed up with trying to find a quick way of printing labels automatically that he decided to develop a system himself.

He bought a second hand computer for £150 and learned to program it. That was 18

months ago. At first, friends in the pharmacy business saw his computer system and asked if they could have one too. Now, he has just launched a complete computer system which not only prints drug labels but gives retail pharmacists a complete stock management system.

Mr Richardson said that his system can print up to 2,000 different types of drugs, with hundreds of doses, and stock reports. He hopes to win at

least 20 per cent of the market for drug labelling. There are at least 15,000 retail pharmacists in the UK.

In order to concentrate on marketing the labelling system, Mr Richardson has now placed a manager in his shop at Preston. His new company has some 200 advanced orders for the equipment which has already been sold into several major hospitals.

The system is based on the

BBC microcomputer manufactured by Acorn Computers. It is probably the first large scale industrial application of the BBC computer.

Extra memory has been added to the BBC B microcomputers to that it can be used in a chemist's shop. The extra 96k memory is added to the memory via the computer's 1MHz bus. The rest of the equipment is a simple printer and floppy disc for storage.

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Members of the Accepting Houses Committee—7 day deposits 0.75%, 1-month 7.00%, Short-term £2,000/12-months 9.25% on sum of under £10,000 6.5%, £10,000 up to £50,000 7.5%, £50,000 and over 8.5%, 21-day deposits over £7,000 7.5%, Demand deposits 6%.

Mortgage base rate.

Members of the Accepting Houses Committee—7 day deposits 0.75%, 1-month 7.00%, Short-term £2,000/12-months 9.25% on sum of under £10,000 6.5%, £10,000 up to £50,000 7.5%, £50,000 and over 8.5%, 21-day deposits over £7,000 7.5%, Demand deposits 6%.

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UK COMPANY NEWS

Duport shows strong upturn in second half

ALTHOUGH pre-tax losses of Duport for the year to January 31, 1983, rose by £790,000 to £1.12m compared with those of £438,000 in the previous year, the deficit for the second six months, at £268,000, showed a sharp drop on the figure for the first half.

Mr J. H. Russell, the chairman, says that apart from the Slumberland bedding companies, which fell short of expectations, the results for the year indicate the strong progress made in other sectors of the group—losses were expected to worsen in the second half.

He comments that the progress made during the year has continued into the current year despite highly competitive conditions persisting and with little evidence of any upturn in the economy.

In the absence of any further setback in the economic situation this progress is expected to continue and be reflected in a return to modest profits."

Having regard to this all arrears of preference dividends are to be paid. A provision of £438,000 has been made in the accounts for all preference payments.

No ordinary dividend will be paid—the last payment was in 1980.

Turnover for the past year totalled £68.95m (£72.1m) including inter-divisional sales, and at the trading level there was a loss of £290,000 (£1.25m profit).

A divisional breakdown of these figures respectively shows: bedding and clothing £20.45m and £1.47m loss (£1.01m loss), furniture £14.73m (£29.64m) and £444,000 profit (£1.67m loss), plastics £16.64m (£16.22m) and £1.51m profit (£2.22m profit) and other interests £2.87m (£1.56m) and £560,000 profit (£1.96m profit).

Turnover of discontinued businesses totalled £15.83m and losses amounted to £1.74m.

Pre-tax profits were after deducting £567,000 (£1.02m) for

interest and adding £62,000 from dividends from trade investments.

Both the Slumberland and Vono UK bedding businesses continued to incur substantial losses and in November last year the assets of Vono were sold and in February this year Slumberland was sold to Melatec.

The performance of Slumberland (Australia) deteriorated sharply towards the end of the year as the economic climate there worsened. Both the company's associate in Malaysia were sold to Dupont Olympic.

As part of the arrangements associated with the sales the purchasers were granted licences to use the Slumberland name with royalty income going to Dupont International.

Tax for the past year took £80,000 (added £2,000) and below the line there were extraordinary credits of £5.01m (£1.77m), including £3.41m from

the disposal of land and buildings.

After preference dividend payments there was a transfer to reserves of £2.28m (£1.45m).

Stated loss per 5p share amounted to 3.4p (0.74p).

Mr Russell says the group's financial position has been greatly improved by the restructuring measures. Net borrowings at January 31, 1983, represented 21 per cent of shareholders' funds, compared with 42 per cent at the end of the previous year.

He adds that as Dupont Steels is now in liquidation the claims for repayments of Government grants of £3.8m is no longer included in the group balance sheet. The liquidation is proceeding but no allowance has been made in the accounts for any distribution.

● comment

Duport's struggle to shed its steel interests and find some new

direction has been a painful one but it looks as though 1983 might mark the beginning of more settled times for the company. The disposal of loss-making Slumberland in March ends its rationalisation programme. It leaves a workforce of 2,600 in metal forming, furniture and plastics. None of the divisions detects signs of an upturn in demand but there is at least no further contraction.

At present levels a return to modest profits is hoped for, and the company feels confident enough to be able to catch up on arrears of preference share dividends.

Borrowings have been reduced to £3m, from 48 per cent to 21 per cent of shareholders' funds—a level the company hopes to maintain.

Its strategy for 1983 is to exploit the businesses it has retained, pushing new product lines like the Swiss plastic windows, and developing its small but successful computer services business.

NSS rises by 10% to £3.4m midway

FOR THE 26 weeks ended April 3, 1983, NSS Newsagents reported profits of £2.4m pre-tax, an improvement of 10.1 per cent over the £3.1m made in the first half of the previous year, and the net interim dividend is being effectively increased from 1p to 1.1p per 10p share.

Despite the 27-week second half period of last year Mr P. H. Evans-Cook, the chairman, hoped for minimum 10% "survival" growth for the current 12 months—pre-tax profits for 1981-82 totalled £5.31m and a final dividend of 1.75p was paid.

A total of not less than 3p for 1982-83 has already been foreseen.

Sales for the opening period of this year rose by 8.3 per cent to £74.36m (£69.94m) and although little benefit from the easing of restrictions on consumer credit was felt, retail sales were satisfactorily ahead of those for the same period last year.

Tax took more at £1.55m, against £1.13m, leaving available profits at £1.89m, compared with £1.5m.

Adjusted earnings per share increased at 8.5p (7.5p) basic or 5.7p (4.5p) diluted.

It is added that 24 retail outlets have been acquired since the start of this year, but with disposals and mergers, the net increase is 10.

The group's move to its new headquarters in Woking has been completed with minimal disruption but increased central expenses were incurred. These will continue until sublettings are completed of office space surplus to group requirements.

● comment

The traditional CTP business contributes about 30% of NSS Newsagents' sales so it is believed to have escaped swinging increases in tobacco duty in the budget and to see signs of growing stability in the strike-ruled newspaper and magazine companies.

Group turnover for 1982-83 was little changed at £9.63m (£9.49m),



Advance Services improves to £4.6m

A SECOND-HALF pick up following marginally lower mid-year figures meant Advance Services raised 1982 pre-tax profits to £4.8m, compared with £4.5m previously.

At the attributable level, profits rose by £1.5m to £1.51m. Tax charge was low at £1.01m (£1.11m), and net assets rose to £97.000 (£95.000), and there were also extraordinary debits of £71,000 (£73,000).

The preference dividends absorb £18,000 (same) and the ordinary payments £1.04m (£900).

The directors comment that the company's balance sheet is healthy and Advance will be in a good position to exploit any upturn in traditional markets.

The dividend for 1982 is being increased from 3.5p to 3.5p net per 10p share with a higher final of 2.5p (2.5p). Stated earnings per share were £0.29p (£0.24p) or 4.75p (4.77p) fully taxed.

At the attributable level, profits rose by £1.5m to £1.51m. Tax charge was low at £1.01m (£1.11m), and net assets rose to £97.000 (£95.000), and there were also extraordinary debits of £71,000 (£73,000).

The preference dividends absorb £18,000 (same) and the ordinary payments £1.04m (£900).

The directors comment that the company's balance sheet is healthy and Advance will be in a good position to exploit any upturn in traditional markets.

British-Borneo well ahead

PRE-TAX profit of investment holding and dealing group British-Borneo Petroleum Syndicate, leapt from £354,163 to £1,154,338 for the year to March 31, 1983.

The dividend total is unchanged at 12.5p net per 10p share with a same again final of 8.5p.

The company has changed its accounting policy to bring its results for the years to March 31, 1982 and March 31, 1982 into line with the requirements of the Companies Act, 1981.

Unrealised losses on investments held by the parent company have been charged in arriving at the profit/loss on dealing activities. This causes a substantial change to the accounts of the previous year, because of unrealised losses in that year of £221,644, which arose mainly from investments in some of the smaller listed oil exploration and development companies in the U.S.

Unappropriated profits brought forward from the year to March 31, 1981, have increased by £285,073 previously included in capital reserve, but now required to be included in unappropriated profits because it consists of realised and distributable profits.

The directors have also changed the accounting policies with respect of the oil and gas ventures in Canada which started in 1977 and which have not so far

yielded commercial discoveries capable of development.

The costs to March 31, 1983, totalling £1,000,056, have been charged in the P and L account.

The major amount of £900,556 included in the P and L account for the prior year adjustments being costs up to March 31, 1982. There are also interest charges and currency losses on these ventures amounting to £114,103 and £200,322 for the 1981-82 year, which have been charged in the P and L account for that year.

1982-83 1981-82

Profit on dealing activities	504,111	156,952
Short-term interest receivable	106,842	96,568
Investment income	1,023,533	1,023,573
U.S. oil & gas production		
Income	105,000	105,000
Expenditure	25,321	170,156
Making	1,700,579	285,323
Administrative expenses		
Depenses	111,801	110,957
Consultants fees	83,355	101,041
Interest payable	386,761	218,445
Capital expenditure	4,773	4,727
Profit before tax	1,154,338	364,163
Taxation	372,760	348,419
Net profit	781,578	27,744
Brought forward	1,494,610	3,003,028
Carried forward	1,570,189	1,494,610

* Loss. † including other income.

DIVIDENDS ANNOUNCED

	Current payment	Corresponding for last year	Total last year
Advance Services	2.5	2.3	3.3
Ambrose Invest Tst	4.8	4.5	7.3
British-Borneo	8.45	7.45	12.8
Camvermoor	1.27	July 1	8.45
Chamberlin and Hill	1.8	1.8	2.9
Hartwells	3	July 31	2.74
International Inv Tst	3.25	3.05	5.3
Irish Distillers	1.51	July 19	1.1
Northern Indst	2	July 15	2
NSS Newsagents	1.17	July 4	1*
Redfearn Glass	NIL	3	2.75*
Rolfe and Nolan	2.75*	July 28	2.5
Usher-Walker	3.5	July 1	3
Dividends shown per share net except where otherwise stated			
Equivalent after allowing for scrip issue.			On capital increased by rights and/or acquisition issues.
£	£	£	£

NatWest Registrars Department

National Westminster Bank PLC has been appointed Registrar of

UBM Group PLC

All documents for registration and correspondence should in future be sent to:

National Westminster Bank PLC
Registrar's Department
PO Box No 82
37 Broad Street
Bristol BS9 7NH

Telephone Bristol (STD Code 0272)
Register enquiries 290711
Other matters 263000

Public Works Loan Board rates

Effective May 18			
Years	Quota loans repaid	Non-quota loans A* repaid	Total last year
Up to 3	10*	10*	11
Over 4, up to 4	10*	10*	12
Over 4, up to 5	11	11	12
Over 5, up to 6	11*	11*	12
Over 6, up to 7	11*	11*	12
Over 7, up to 8	11*	11*	12
Over 8, up to 9	11*	11*	12
Over 9, up to 10	11*	11*	12
Over 10, up to 15	11*	11*	12
Over 15, up to 25	11*	11*	12
Over 25	10*	10*	12

* Non-quota loans B are 1 per cent higher in each case than quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

HIGHLIGHTS OF THE YEAR

Profits up 69% at £902,000

Income up 23%

Total turnover reaches £84.7m.

Increased internal share ownership

Record level of new business

CHARLES BARKER GROUP

CHARLES BARKER ADVERTISING AGENT BIRCHIN LANE LONDON 1812.

Warren Lawson
J. V. Wellesley Chairman

Consumer Advertising • Corporate and Financial Advertising • Public Relations
Industrial and Technical Advertising • Recruitment • Management Selection • Support Services
London • Manchester • Birmingham • Scotland • International Affiliations
30 Farringdon Street, London EC4A 4EA. Telephone 01-236 3011.

UK COMPANY NEWS

Mettoy losses grow to £3.8m

ENLARGED pre-tax losses have been produced by Mettoy Co. for 1982 — up from £2.75m to £3.83m or sales down from £22.17m to £21.93m. This compares with the estimated loss of £2.6m forecast during last February's rights issue.

Losses per 25p share were shown as rising from 16.8p to 23.8p.

Sales of this Swansea-based toy manufacturer were 11 per cent lower with a greater fall in gross margin, which was closed down at end of 1982. There was a weakening of export business in continuing lines in the second half of 1982, and it was particularly important that the company should obtain a favourable reaction to its 1983 product range of overseas trade fair in February, which it managed to gain.

In the UK, the company has had an equally favourable response, and has won several new accounts for both toys and engineering.

Modest growth is planned in

Canvermoor slips but sees second half upturn

THE FIRST Interim profit published by Canvermoor since its arrival on the Unlisted Securities Market last December amounted to £1.00m for the six months to March 31, 1983, a decrease on the comparable figure of £1.02m. The directors forecast a sharp upturn in the second half. Turnover of this producer of soft drinks and condiments moved ahead from £36.000 to £1.18m.

The latest interim dividend, which has been waived by the chairman on his 2.6m shares, is declared of 1.2p as foreshadowed in the prospectus.

Depressed trading levels in the licensed trade were exacerbated by the effects of the winter sales lull, say the directors, which they estimate to have cost some £20,000 in net profit.

There are signs now of increased patronage of the pub and clubs which the company supply. The bulk of net profit is attributable to the second half.

The new Luton factory is due to open in July and which will reduce transport charges from West Yorkshire.

The directors expect a substantial advance in the second half and a satisfactory result for the year.

The new Birmingham depot was opened in October, giving coverage of the West Midlands. Dorset operations commenced in February.

Bottled drinks are making increasing inroads into the licensed trade, while Bulmers cider sales have surpassed the company's most optimistic forecast. Towards the end of March, Bulmers Cider replaced the company's own German brand.

The launch of Bulmers

enabled the company to remain in a very lucrative market and extricate itself from the problem associated with a strong Deutsch mark and the limited consumer acceptance of the German cider.

Pre-tax profits were struck after depreciation of £201,000

and net interest charges of £9,000 (£11,000).

There was again no charge for

prices now available on Prestel page 48146.

Hartwells jumps 52% to £3.2m

AN INCREASE of 51.8 per cent in pre-tax profits from £2.08m to £3.17m has been shown by Hartwells Group for the year to the end of February 1983. Turnover of this vehicle distribution, heating and cooling and bulk fuel oil distribution group moved ahead from £158.8m to £184.6m.

The total dividend has been effectively lifted from 3.54p to 4.4p net with a final of 3.74p (adjusted for one-for-four scrip). Earnings per 25p share were shown as rising from 8.3p to 14.2p.

Satisfactory profits are expected for the current year, says Mr F. S. Higgins, chairman. Commenting on the period under review Mr Higgins says that the improvement in results is attributable to some improvement in trading conditions, to record sales figures last August, and also to a 6 per cent reduction in average number of employees.

Mr Higgins also says that results have been helped by seasonal reductions in interest charges at £710,000, only slightly higher than the previous £702,000.

A breakdown of turnover shows: vehicle distribution sales and services £140.37m (£116.21m); heating services and bulk fuel oil distribution £44.25m (£42.61m).

Irish Distillers up 4.4%

AN INCREASE of 4.4 per cent from £144.5m to £148.65m in pre-tax profits is reported by Irish Distillers Group for the half-year to March 31, 1983. Turnover fell, however, from £76.25m to £71.13m, and trading profits were slightly lower at £7.66m compared with £7.85m.

The net interim dividend is raised from 1.5p to 1.5p in line with the commitment made at the time of the one-for-four rights issue made in March. Last year a total of 5p was paid from pre-tax profits of £7.64m (£5.45m).

Mr M. J. Killeen, who took

over from Mr F. J. O'Reilly as

chairman in February, confirms that the rights issue was fully subscribed and the net proceeds of £5.65m were received by the group during April.

Pre-tax profits were after interest charges down from £2.47m to £1.93m and depreciation higher of £1.09m (£1.04m).

Tax was £254,000 (£32,000), but Mr Killeen points out that ACT amounting to £238,000 has been provided for in accordance with the terms of the Finance Bill now before Dail Eireann.

Stated earnings per 25p share

edged ahead at 9.55p (9.53p).

The Iron Trades Insurance Group

ASSETS EXCEED £300m

Results for the year ended 31st December 1982

	£'m	£'m
	1982	1981
PREMIUM INCOME		
Liability	33.1	42.4
Motor	37.5	28.3
Material Loss	6.5	4.9
Marine	0.4	1.1
	77.5	76.7
UNDERWRITING RESULT	(5.5)	(7.7)
INVESTMENT INCOME	23.7	21.4
	18.2	13.7
TAXATION	10.1	8.7
	8.1	5.0
TOTAL RESERVES	130.2	98.7

The Liability Account continues to reflect a reducing premium income due to a combination of the lower level of commercial activity, particularly in heavy industry, and intense competition with its effect on rates.

Our cost-effective operation of personal insurance has increased our market share and compensated for the downturn in commercial lines.

The overall surplus for the year has been transferred to reserves.

For a copy of our 1982 Annual Report and Accounts, please contact:

THE COMPANY SECRETARY
THE IRON TRADES INSURANCE GROUP
Iron Trades House
21/23 Grosvenor Place
London SW1X 7JA

CONCEPT AND PRACTICE OF MANAGEMENT IN UNILEVER

"We have some basic principles that, even in changing times, endure."

Mr Kenneth Durham, Chairman of Unilever PLC, examined the strengths of Unilever's managerial philosophy in a speech at the Annual General Meeting on Wednesday, 18 May 1983. This is a summary of some of the points he made.

The sheer size of a company like Unilever means that it has an important economic influence in those parts of the world in which it operates. Equally Unilever is affected by a wide and varying economic environment.

The next decade will be a period of heightened difficulties for big business; difficulties stemming largely from an unpredictable world economy and the political and social instabilities consequent on a period of low economic activity and high unemployment.

As we devise our strategies and put together plans for the future, we draw on two important strengths of Unilever. The first is the flexible and pragmatic approach we have to problems, and the second is the fact that we have some basic and guiding principles that, even in changing times, endure:

1. In spite of recession, we continue with our long-term plans for management development and we continually seek to recruit and train top quality people who will be able to guide the Company in the years ahead.

2. We maintain an overall strong financial position to enable us to meet any contingencies. This provides us with the flexibility to ensure that the operational requirements of the business are not constrained by lack of finance. At the end of last year our gearing stood at 25% and our net liquid funds amounted to £338 million.

3. Our investment remains at a high level and we continue to allocate resources to the latest developments in technology. We actively seek growth, both from investment in organic development and, when necessary, by acquisition. In 1982 we invested £431 million and spent £76 million on acquisitions.

4. We constantly strive for greater efficiency, whether it be in our use of funds, in our factories, our distribution systems, or in our Head Offices. We have consistently achieved significant productivity increases even in the absence of volume growth, and productivity has increased on average by 5.2% over the last five years.

5. We support strong brands by theme advertising and we actively co-operate with the trade. We continue to improve the quality of our products end we constantly seek for innovative ideas for new products. Consequently we maintain in real terms our research effort and in 1982 we actually increased it. This we consider central to our plan for future growth and development.

6. Our organisation is built on short communication lines and delegation. It is a management philosophy which means that our subsidiary companies have the freedom to act within an overall Unilever Plan. At the centre we are concerned only with those matters which are essential to the long-term objectives of the Company as a whole and which relate to evaluation of performance against plans.

These enduring principles are the essential pillars of our business and each has been tried and proven in operation. These principles give us a flexibility which, despite our size, allows us to react quickly to changes in the economic environment.

Managing for Change

This flexibility is important because, despite our firm commitment to long-term objectives and strategies, we have to run the business in the short term, taking account of the realities of the existing situation. That is why our basic plans, whilst reflecting the strategic aims, are relatively short-term and do not extend more than two years from the planning year.

As I have already said, the essence of our concept of management is that of decentralisation and we organise and run our business on that basis. We believe that we derive great strength from our 500 or so

individual operating companies and they have a large degree of autonomy. They are autonomous in the sense that, within a broad Unilever policy framework, their boards are free to conduct their company affairs. Our business is largely, although not entirely, in branded and packaged consumer products and this means that we must know the local market-place well and understand its basic requirements if we are successfully to satisfy its needs. This usually means that we also have to manufacture in the country concerned.

The autonomy of these companies and the preservation of their own character is one of the most typical features of Unilever. That our subsidiary companies operate mostly under their own names, rather than under the name of Unilever, is part of this philosophy of decentralisation. It also means that the decisions are taken, as far as possible, by the management of the operating companies. They are closest to the market-place and they know best the requirements of the consumer, both now and for the future.

But we ensure that the total strength of Unilever is greater than that of the sum of its individual units. This is one of the key tasks of the three-man Special Committee which oversees the business as a whole, and of which I form a part together with the Chairman of Unilever NV, and one other member of our main board. In doing this job we are supported by central specialist divisions like Personnel, Finance, Research and Engineering, and others. We believe this system of active decentralisation encourages initiative and innovation, and develops managerial and entrepreneurial skills, all of which are vital ingredients in the success of the business.

If you would like to receive a copy of Mr. Durham's speech please complete this coupon.

To: Public Relations Department, Unilever PLC, P.O. Box 68, Unilever House, London EC4P 4BQ.

Name _____

Address _____

FT.

Unilever

The Annual General Meeting of Unilever N.V. took place in Rotterdam on the same day. Mr. H. van den Hoven, Chairman of Unilever N.V., presided and delivered the annual speech as Mr. Kenneth Durham in London. The Company has published a report made to the British Government under the E.E.C. Code of Conduct for companies with interests in South Africa. Copies of the report may be obtained from the address alongside.

NOTICE

Coca-Cola International Finance N.V.

10 3/4% Guaranteed Notes Due 1988

Pursuant to the Fiscal and Paying Agency Agreement dated as of December 1, 1982 among Coca-Cola International Finance N.V., a Netherlands Antilles corporation, The Coca-Cola Company of New York, a Delaware corporation, as Guarantor, and Morgan Guaranty Trust Company of New York, as Fiscal Agent (the "Agreement"), under which the above-referenced Notes (the "Notes") were issued, notice is hereby given that:

- (a) In accordance with the terms of the Agreement, payment of the Final Installment (being 75% of the issue price of the Notes) is due and payable no later than 2:00 p.m. London Time on June 1, 1983 in U.S. Dollars in immediately available funds;
- (b) No payment of the Final Installment made after the June 1, 1983 due date will be accepted unless accompanied by a further payment representing interest accrued on the amount of such payment at a rate of 15 3/4% per annum from June 1, 1983 to the date on which such payment is received;
- (c) On June 16, 1983, the obligation of the Issuer to accept payments of the Final Installment shall cease and end;
- (d) ON AND AFTER JUNE 16, 1983, IF THE FINAL INSTALLMENT SHALL NOT HAVE BEEN PAID IN ACCORDANCE WITH THE TERMS OF THE AGREEMENT IN RESPECT OF ANY NOTE, THE ISSUER MAY RETAIN THE FIRST INSTALLMENT BEING 25% OF THE ISSUE PRICE OF THE NOTES) PREVIOUSLY PAID IN RESPECT OF SUCH NOTE AND WILL HAVE NO OBLIGATION TO REPAY SUCH FIRST INSTALLMENT OR TO PAY INTEREST THEREON FOR ANY PERIOD PRIOR TO, INCLUDING, OR SUBSEQUENT TO JUNE 1, 1983.

Arrangements should be made with Morgan Guaranty Trust Company of New York, Brussels Office, as Operator of the Euro-clear System, or CEDEL S.A. in order to assure timely payment of the Final Installment.

By: COCA-COLA INTERNATIONAL FINANCE N.V.

Dated: May 25, 1983

COMPANY NEWS

MINING NEWS

Comtech issue leaves underwriters with 54%

By DOMINIC LAWSON

SHARE ISSUES by Combined Technology Corporation, and its recently demerged subsidiary Mnemos, have both met with disappointing responses.

The rights issue of 12.45m new shares in Comtech at 42p each was taken up to the extent of 48 per cent of the issue. The rest of the issue has been allotted to the underwriters.

The issue of 12.45m new shares of Mnemos at 65p to the existing ordinary shareholders of Comtech met with a 55 per cent take-up. Again, the remainder of the issue has been allotted to the underwriters. In addition, 3m new ordinary shares of Mnemos have been allotted to certain institutional investors.

Mnemos, which is now quoted on the Unlisted Securities Market, has developed a new system of information distribution and retrieval. So far, Mnemos has not taken any orders, although discussions have been taking place with potential buyers for about two weeks.

Mr Peter Moody, a director of both Comtech and Mnemos said yesterday: "It would be silly to say anything about the City's response. We had hoped that Mnemos could have announced its first contract before the offer closed."

Yearlings total £22.3m

Yearling bonds, totalling £22.3m at 104 per cent redeemable on May 22 1984 have been issued to the market by the following local authorities:

- Aylebury Vale District Council £2.5m; Hitchin (London Borough of) £2.5m; Middlesbrough (Borough of) £0.5m; Warrington Borough Council £0.5m; Woking BC £0.5m; Pendle (Borough of) £0.5m; Blaenau Gwent (Borough of) £0.55m; Cumbernauld and Kilsyth DC £0.5m; Gateshead (Borough Council of) £0.75m; Kirklees (Borough of) £1m; Leicester City Council £0.75m; Newham (London Borough of) £0.75m; Preesall DC £0.25m; Tamworth (Borough of)

£0.25m; Swanscombe (City of) £1m; Lambeth (London Borough of) £0.5m; Grampian Regional Council £2.5m; Bradford DC £0.25m; Dumbartonshire DC £0.25m; North Tyneside Metropolitan BC £1.5m; North Warwickshire BC £1.25m; Slough (Borough of) £0.5m; Tonbridge and Malling DC £0.25m; Warrington BC £0.5m; West Wiltshire DC £0.5m; Bedfordshire County Council £0.5m; Cotswood DC £0.25m; Harlepool BC £0.75m; Merseyside Passenger Transport Executive £1m; Shetland (City of) £0.25m; Solihull (London Borough of) £1m.

Sedgefield DC has issued 40.5m of 11 per cent bonds at par for redemption on May 15 1985. The report stresses the good

S. African coal exports feeling the pinch

By KENNETH MARSTON, MINING EDITOR

MODEST increases in earnings for the March quarter are reported by the South African Gencor group's coal producers, Trans-Natal Coal and Clydesdale (Transvaal) Collieries. Both, however, comment on the difficult export market.

For the first nine months of the current financial year to June 30 are keeping up well those of Trans-Natal being maintained at 60 cents per share, net income for the latest period being R22.1m (£12m).

Clydesdale's nine-months earnings, up to R5.75m against R5.87m in the same period of the previous year and the total for the current year is expected

to be "close to" that for 1981-1982. But the company says that income from its New Clydesdale colliery continues to be below expectations because of a decline in both domestic and export demand.

Trans-Natal has increased earnings for the March quarter over those for the previous three months thanks to slightly higher sales and lower mining and currency gains related to forward exchange contracts.

However, lower profits are expected for the current quarter as a result of reduced export sales and also lower sales in the local coal market. In the annual report for October, Mr S. P. Ellis, the chairman, said

that the softening in export coal prices was likely to last for at least another year.

He commented that South African coal export prices were more under pressure from South African sources attempting to place coal overseas than from competition from foreign coal producers. Ironically, the company's export expansion programme was expected to start making its impact on earnings in the year to June 30 1984.

Presumably, this programme will still bring extra benefits, but the fact that the low-cost South African mines are facing the pinch in export markets underlines the extent of the surplus capacity overhanging the markets for coal.

Gold venture report encouraging

THE latest drilling report from the Eastern Goldfields region of Western Australia, near the Golden Mile at Kalgoorlie, confirms recent indications that the Occidental/Black Hill Minerals joint venture could be the first to bring a gold mine into production.

The report, compiled by Black Hill from information supplied by Occidental, says that a development proposal for three open-pit operations in the area explored so far should be completed by the end of the year.

This proposal depends largely on decisions to be taken by the partners on optimum plant size. The area could be in production quite quickly if a lower throughput, perhaps 500,000 tonnes of ore a year, is chosen, but they may well decide to wait until they have proved up enough for an operation of twice that size.

In that case, the Harbour Lights area of Cossack Bay Minerals and Esso would probably be the first mine into production, both of which are funded by the provincial and federal governments.

Progress made by Occidental in examining the deposit, but points out that analytical results are not yet complete and more drilling is required in some areas. Consequently, the report does not include any calculation of the possible size of the ore reserves.

Grades on the highly promising Mystery Zone range between 3.5 grammes of gold per tonne and 24.5 grammes. A small open-pit, an extraordinary 1.2ha, has been developed by Black Hill and yesterday the team again confirmed the regularity and continuity of the mineralisation, as indicated by earlier tests.

These efforts have been supplemented by diamond drilling to greater depths to test non-existent mineral blocks. Black Hill said yesterday that the team again confirmed the regularity and continuity of the mineralisation, as indicated by earlier tests.

Inco's new gold mine

CANADA's Jace nickel giant and Quecrown Gold Mines have now received government approvals for the immediate joint development of a small open-pit gold mine near Kirkland Lake in Ontario. The venture is supported by the Canada-Ontario Partnership, Devon Energy and the former Upper Canada mill about a mile away, to provide a capacity of 500 tons of ore a day. The project is expected to be fully operational in 1984.

Named McBean, the new mine has estimated ore reserves of 550,000 tons grading an average 0.15 oz (4.7 grammes) gold per ton. Other reserves are indicated outside the open-pit area.

McBean is to be rehabilitated by diamond drilling to greater depths to test non-existent mineral blocks. Black Hill said yesterday that the team again confirmed the regularity and continuity of the mineralisation, as indicated by earlier tests.

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"There are signs that financial strength, technical expertise, and years of experience are once again being appreciated."

Mr D. M. C. DONALD, CHAIRMAN

Extracts from the Chairman's Report 1982

"The year 1982 brought little improvement in trading conditions... The expected move out of recession has not yet materialised to any significant extent...

In General Branch business those who trade in primary insurance markets have been slow to learn the lessons of cash flow underwriting... but a return to a traditional philosophy of underwriting profit surely must come...

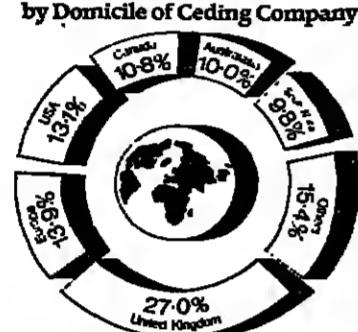
Our aim is to provide the best reinsurance service rather than the cheapest and we see signs that insurers

increasingly recognise the value of professionalism and security...

Good progress has been maintained in our Life and Disability business. New business production was one-third higher than in 1981...

Despite the continuing difficulties in the reinsurance market in 1982 the Group has ended the year in an even stronger financial position... There are signs that financial strength, technical expertise and years of experience are once again being appreciated.

Source of Group Premium Income by Domicile of Ceding Company



The Mercantile and General Group of companies provides a worldwide reinsurance service in all classes of business with offices in the United Kingdom and Australia, Canada, South Africa, USA, Denmark, France, Hong Kong, Japan, New Zealand, Latin America, Lebanon, Indonesia.

Copies of the Annual Report 1982, containing the Chairman's Statement in full and a Review of Group Operations for the year can be obtained from The Secretary



The Mercantile and General Reinsurance Company plc

Head Office: Moorfields House, Moorfields, London EC2Y 9AL



Highlights of the Results for the Group

	1981	1982
Premium Income	£m	£m
Profit for the year after taxation	5.0	5.2
Investments at cost	574.3	692.9
Reinsurance funds	583.5	701.5
Published shareholders' funds	41.8	50.0
Solvency margin (including unrealised asset appreciation)	49.4%	54.4%

Mr G. Arthur has been appointed to the board of BRITISH BENZOL CARBONISING as finance director. He continues as secretary of the company.

Mr David Dell has been promoted to deputy secretary in the department of TRADE. He will succeed Mr F. J. Brown next month as the deputy secretary responsible for the Patent Office, the insolvency service, insurance division and companies legislation division in the department. Mr Brown has resigned to become an adviser to the council of Lloyd's.

Mr Peter Winfield has been appointed to the board of GEE, WALKER & SLATER. He will continue as general manager of the Derby-based company, part of the Wiggins Group.

Mr John Scott, a director of

CONTRACTS

Molins wins £5m orders from Thailand

MOLINS has won contracts worth nearly £5m from the Thailand Tobacco Monopoly for 10 Mark 9.5 cigarette making combinations, including inspection and handling equipment, and eight soft packer machines with tray unloaders. The machines, destined for several factories, are scheduled for delivery later this year and instal-

lation will start early in 1984.

Extensions to the Manchester Crown Court building in Wood Street are to be carried out by HENRY BOOT BUILDING. This £6.5m contract is for a two to four-storey reinforced concrete extension to house seven Crown Courts and two County Courts, and alterations to the existing building. The scheme will take three years to complete.

Contracts totalling £4.5m have been won by ERNEST IRELAND CONSTRUCTION. Bath-based member of the Mowlem group, Work includes a £1.5m warehouse extension for Tesco at Westbury, Wiltshire. A £675,000 contract from the Property Services Agency for the construction of junior ranks' accommodation at RAF Lyneham, in Wiltshire. Reconstruction and a new extension to Chandos House, one of the oldest buildings in Bath, designed by John Wood the elder, to become living accommodation for elderly people under a £260,000 contract for the Municipal Charities of Bath. And at Bathford, the company is undertaking extensive rebuilding work at a pulp store for Mowlem (Bathford), manufacturer of bank note paper, for £233,000.

The £3.1m headquarters of the South West Water Authority will be designed and built by CONDER SOUTHERN. The 7,800 sq metres two-storey office building, to be completed in 1985, will accommodate over 400 employees, will be built in just over a year, starting in July.

TURRIFF CONSTRUCTION has

been awarded six contracts with

a total value of about £5m: three-storey steel framed extension to the library in Cowgate, Edinburgh, for the Property Services Agency (£800,000); thermal insulation of 156 flats in Rochdale (£212,000); improvements to 214 homes in Walsall (£1.5m); improvements to 213 dwelling in Walsall (£1.4m); conversion of a four-storey block into 18 flats for Hanover (Scotland) Housing Association (£250,000); revitalisation of 79 homes at Thornley, County Durham, for Easington District Council (£450,000).

V.W. has been awarded a £750,000 contract to supply sheet metal for an order worth initially £2m, won by Qualitair, for supplying air conditioning unit components and technical support to the Saudi Arabian Ministry of the Interior for its Security Forces' housing project. First shipments are scheduled from July 1.

S.F.E. INTERNATIONAL N.V.

U.S. \$70,000,000

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In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the six months 19th May, 1983 to 21st November, 1983 has been fixed at 9 1/2 per cent per annum and that the coupon amount payable on coupon No. 4 will be U.S.\$245.42.

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With combined assets of some US \$ 360 billion and 39,760 offices, UNICO BANKING GROUP is one of the world's largest and most broadly based financial groups. Besides offering comprehensive universal banking facilities, the Group provides a number of specialized services ranging from leasing and factoring to East-West trade packages and investment counseling.

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ZENTRALBANK (Austria)

OKOBANK OSUUSPANKKI

KESKUSPANKKI OY (Finland)

RABOBANK NEDERLAND

(The Netherlands)

These six banks have established the Luxembourg-based UNICO INVESTMENT FUND and in Vienna the UNICO TRADING COMPANY, specialized in East-West Trade.

For information contact a partner bank or The Standing Secretariat of the

UNICO BANKING GROUP
N.Z. Voorburgwal 162-170,
NL-1012 SJ Amsterdam,
Telephone (20) 222252,
Telex 15412



UNICO BANKING GROUP



Deutsche Bank

Aktiengesellschaft

Frankfurt am Main

(Incorporated in the Federal Republic of Germany with limited liability)

Notification of Dividend

The Ordinary General Meeting on May 18, 1983, has resolved to distribute the distributable profit of the financial year 1982 being DM 298,349,458 and has approved the payment of a dividend of DM 11 per share of DM 50 par value.

The dividend will be paid less 25% capital yield tax against submittal of Dividend Coupon No. 40 at one of the paying agents listed in the Federal Gazette (Bundesanzeiger) of the Federal Republic of Germany No. 93 dated May 19, 1983. In accordance with the English-German Double Taxation Agreement of November 26, 1964, as amended in the protocol of March 23, 1970, the German capital yield tax is reduced from 25% to 15% for shareholders resident in Great Britain. To claim this, shareholders must submit an application for reimbursement within three years from the due date. This application is to be addressed to the Bundesamt fuer Finanzen, Friedhofstrasse 1, D-5300 Bonn 3.

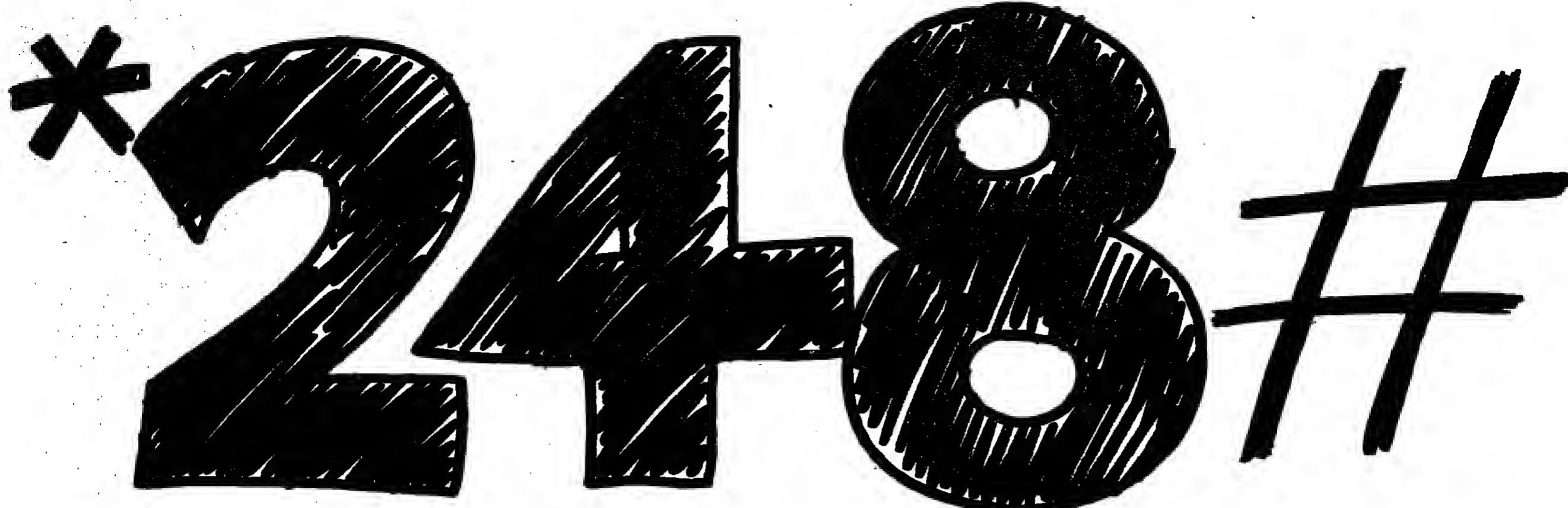
Under the German corporation tax system effective as of January 1, 1977, to the dividend a tax credit is linked amounting to 9/16 of the dividend declared. However, shareholders resident outside the Federal Republic of Germany and Berlin (West) are not entitled to this tax credit.

In Great Britain payment will take place through the following banks: Deutsche Bank AG, London Branch, 6, Bishopsgate, London EC2P 2AT; Midland Bank plc, International Division, Securities Department, Suffolk House, Laurence Pountney Hill, London EC4.

The dividend payment in Great Britain is made in Pound Sterling converted from Deutsche Mark at the rate prevailing on the day of submittal of the dividend coupon.

Frankfurt am Main, May 1983

Board of Managing Directors



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NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

WORLD GOLD

The fifth FT Gold conference to be held in Lugano, Switzerland on 22 and 23 June 1983 will stress the market production and investment outlook. The silver market and gold-silver price relationships together with monetary

Robert Guy of Rothschilds will chair the first day and give the Opening Address. The speaker platform will be as authoritative as at previous meetings.

series.

For further details please contact:

TELEX: LONDON 22347 ETC2165 6

222% NisMpf 3.80 12. y108 30.
25 NisMpf 5.90 12. y360 21%

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

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NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

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Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a spin or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise

dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a-dividend also exdiv(s) b-annual rate of dividend plus stock dividend, c-equating dividend, ckd-called, d-new yearly low e-dividend declared or paid in preceding 12 months, g-dividend in Canadian funds, subject to 15% non-residence tax i-dividend declared after split-up or stock dividend, j-dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting k-dividend declared or paid this year, an accumulative issue with dividends in arrears, n-new issue in the past 52 weeks The high-low range begins with the start of trading, nd-next day delivery, P/E-price-earnings ratio, r-dividend declared or paid in preceding 12 months, plus stock dividend s-stock split. Dividends begins with date of split, sls-sales. t-dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u-new yearly high, v-trading halted w-in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies wd-when distributed, wi-when issued, wew-with warrants, x-ex-dividend or ex-rights, xad-ex-distribution xw-without warrants y-ex-dividend and sales in full yld-yield z-sales in full.

WORLD STOCK MARKETS

CANADA

(Closing Prices) Stock May 18

May 18

Var.

May 17

Price

Kroner

+ or -

May 18

Price

Ft.

+ or -

May 18

Price</

